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NOMINATION OF JOHN G. TOWER TO BE SECRETARY OF DEFENSE

HEARINGS

BEFORE THE

COMMITTEE ON ARMED SERVICES UNITED STATES SENATE

ONE HUNDRED FIRST CONGRESS

FIRST SESSION

ON

NOMINATION OF
JOHN G. TOWER TO BE SECRETARY OF DEFENSE

JANUARY 25, 26, 31; FEBRUARY 1, 23, 1989

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NOMINATION OF JOHN G. TOWER TO BE SECRETARY OF DEFENSE

WEDNESDAY, JANUARY 25, 1989

U.S. Senate,
Committee on Armed Services,
Washington, DC.

The committee met, pursuant to notice, at 2:04 p.m., in room SR-325, Russell Senate Office Building, Senator Sam Nunn (chairman) presiding.

Committee members present: Senators Nunn, Exon, Levin, Kennedy, Bingaman, Dixon, Glenn, Gore, Wirth, Shelby, Byrd, Warner, Thurmond, Cohen, Wilson, McCain, Wallop, Gorton, Lott, and Coats.

Committee staff members present: Arnold L. Punaro, staff director; Andrew S. Effron, general counsel; Christine C. Dauth, chief clerk; Marie Fabrizio Dickinson, assistant chief clerk.

Professional staff members present: Robert G. Bell, Richard D. Finn, Jr., John J. Hamre, James R. Locher III, and David S. Lyles.

Minority staff members present: Patrick A. Tucker, minority staff director and counsel; Romie L. Brownlee, deputy staff director for the minority; Inga B. Schoonover, special assistant; Robert F. Bott, Brian D. Dailey, George K. Johnson, Jr., Mark B. Robinson, and Ann Elise Sauer, professional staff members.

Staff assistants present: Barbara L. Braucht, Lori M. Jackson, Mary J. Kampo, and Kelli Pronovost.

Committee members' assistants present: Jeffrey B. Subko, assistant to Senator Exon; Gregory J. Weaver and Peter K. Levine, assistants to Senator Levin; William J. Lynn, assistant to Senator Kennedy; Edward M. McGaffigan, Jr., assistant to Senator Bingaman; Charles C. Smith, assistant to Senator Dixon; Milton D. Beach, assistant to Senator Glenn; Leon Fuerth, assistant to Senator Gore; Terrence M. Lynch, assistant to Senator Shelby; Dale F. Gerry and Christopher Mellon, assistants to Senator Cohen; Mark J. Albrecht, assistant to Senator Wilson; and Anthony H. Cordesman, assistant to Senator McCain.

OPENING STATEMENT BY SENATOR SAM NUNN, CHAIRMAN

Chairman Nunn. The committee will come to order. The committee meets this afternoon to begin our hearings on the nomination of the Honorable John Tower to serve as Secretary of Defense.

On behalf of the entire committee, I extend a warm welcome to our former colleague, and to our present colleagues who are here to introduce him.

I also want to welcome the new committee members that are new to the committee this year. Senator Robert Byrd, the president pro tem of the Senate, and chairman of the Appropriations Committee, returns to our committee after an absence of 20 years, and we welcome him back. He continues a long line of presidents pro tem—Senators Russell, Stennis, and Thurmond—who have served with distinction on the Armed Services Committee.

I also want to welcome Senator Wallop, Senator Gorton, Senator Lott, and Senator Coats to our committee. I know they are going to make a very substantial addition.

The committee also extends a warm welcome to the Marine Corps colonels and their families who are in the audience today. These colonels are new selectees to the rank of brigadier general. Their nominations are pending before the committee—that is not the subject of our hearing today, but we take note of their presence and we congratulate them and welcome them.

The Constitution requires the advice and consent of the Senate in the appointment by the President of persons to serve in positions established by law, including the Office of Secretary of Defense. At this time of increasing public concern about both the quality and integrity of defense management, the committee has increased our emphasis on our own responsibility in the confirmation process for appointments for the Department of Defense under the Constitution.

The committee initiated improvements in our confirmation procedures at the beginning of the 100th Congress. We directed the formulation of new procedures for handling background investigations and financial matters; required additional certifications and materials from the executive branch, and implemented a detailed questionnaire for each nominee covering, in particular, conflict of interest matters.

Last October, Senator Warner and I wrote to candidates Vice President Bush, as well as Governor Dukakis, before the election, to inform them of qualification standards that we were proposing to guide the committee's consideration of persons nominated for defense-appointed positions. On November 29, the committee met and endorsed the qualification standards that Senator Warner and I had proposed. We will ask that they be inserted in the record at this point without objection.

[The information referred to follows:]

U.S. Senate,
Committee on Armed Services,
Washington, DC, October 28, 1988.

Vice President George Bush,
Old Executive Office Building,
Washington, DC.

Dear Vice President Bush: We are writing to you and Governor Dukakis to explain qualifications standards that we are proposing to guide consideration by the members of the Committee on Armed Services of persons nominated by the next President for civilian positions in the Department of Defense. Our committee will then report to the Senate which will render its "advice and consent". This letter is being sent prior to the Presidential election for two reasons: principally, to avoid any suggestion of partisan motivation, but also to initiate an early cooperative dialogue. In this regard, the Committee would appreciate receiving your views on the proposed standards.

As you know, strong defense leadership will be needed during the next four years to resolve serious strategy, budget, force structure, manpower, alliance, and arms control problems and issues. Central to meeting these challenges is the appointment of the highest quality and experienced defense management team. The President deserves the strongest possible team; we want to work with the next President to ensure that this capability is provided.

In this letter, we do not intend to identify specific qualifications for each civilian appointed position in the Department of Defense. However, there are general qualifications for all nominees which we deem important. In identifying and commenting on these qualifications, we do not intend to criticize any prior Administration. Our focus here is not the past, but the future.

In evaluating nominees, the Committee will be guided by the following general qualifications:

1. *Nominees must be of unquestionable integrity.* For a number of reasons, the American public has had increasing concerns about ethical standards in the Department of Defense. Maintaining public confidence in the integrity of defense management is absolutely essential.

2. *Nominees must be capable of performing as members of the Secretary of Defense's management team.* If the Secretary is to effectively carry out his vast responsibilities, he must receive the full cooperation and support of his senior subordinates. In this regard, the Secretary must have a central role in advising the President on the selection of key civilian officials, in both the Office of the Secretary of Defense and the Military Departments. Section 113(f) of title 10, United States Code, already prescribes a key role for the Secretary by requiring him to inform the President of the qualifications needed by a person to serve in a specific civilian appointed position.

3. *Nominees should have a substantial understanding of national security policy and international security affairs.* The complexity of defense issues demands a high level of prior expertise. This standard need not apply to each civilian appointed position in the Department of Defense; but in the aggregate, the Secretary of Defense's management team must possess substantial expertise across the spectrum of national and international security issues.

4. *Nominees must demonstrate a commitment of emphasizing overall national security goals and objectives.* When appointees in the Department of Defense give undue priority to parochial defense perspectives, efforts to develop and execute an integrated and coherent defense program are greatly complicated, if not frustrated.

5. *Nominees must have substantial experience and expertise within their proposed areas of responsibility.* There is no time for "on-the-job" training in the Department of Defense. Nominees should be capable of immediately contributing to effective defense management and policy formulation.

6. *Nominees must be capable managers and administrators.* Each senior appointed position within the Department of Defense involves management responsibilities. Policy expertise must be complemented by forceful and effective leadership skills.

7. *Nominees must be suited by temperament for the demands of defense management.* Beyond working in a large and complex organization, appointees are confronted by perplexing problems, significant uncertainties, rapidly changing situations, and enormous time and work pressures. Nominees must be capable of coping with, and effectively performing in, this demanding environment.

8. *Nominees must have a strong commitment to public service.* It is imperative that nominees should have, and should be seen to have, the public interest as their only goal. Actions which call into question this commitment are unacceptable.

9. *Nominees must demonstrate an understanding of, and respect for, the Constitutional principles of the Nation, including the legitimate role of the Congress.* A bipartisan, Executive-Legislative partnership on national security, with genuine cooperation between defense officials and the Congress, must be the goal of both Branches of Government.

As these qualifications standards indicate, the committee will give increased attention to the potential contributions of an individual nominee to a defense management team. We trust you will share our view that a more comprehensive approach to the appointment of senior defense officials has merit.

Should you be elected President, the committee will look forward to working with you to ensure effective leadership for the Nation's defense efforts. It is toward this end and in the spirit of partnership that this letter has been sent.

Sincerely,

SAM NUNN,
Chairman.
JOHN W. WARNER,
Ranking Minority Member.

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC, October 28, 1988.

Gov. MICHAEL S. DUKAKIS,
105 Chauncy Street,
Boston, MA.

DEAR GOVERNOR DUKAKIS: We are writing to you and Vice President Bush to explain qualifications standards that we are proposing to guide consideration by the members of the Committee on Armed Services of persons nominated by the next President for civilian positions in the Department of Defense. Our committee will then report to the Senate which will render its "advice and consent". This letter is being sent prior to the Presidential election for two reasons: principally, to avoid any suggestion of partisan motivation, but also to initiate an early cooperative dialogue. In this regard, the Committee would appreciate receiving your views on the proposed standards.

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Should you be elected President, the Committee will look forward to working with you to ensure effective leadership for the Nation's defense efforts. It is toward this end and in the spirit of partnership that this letter has been sent.

Sincerely,

SAM NUNN,
Chairman.
JOHN W. WARNER,
Ranking Minority Member.

Chairman NUNN. The committee intends to question Senator Tower today, and again tomorrow, beginning at 9:30 a.m. The focus of these initial 2 days of hearings will be on policy matters, plus any questions regarding steps which must be taken by the nominee to avoid any conflict of interest or any appearance thereof.

The committee will hear from outside witnesses as requested next Tuesday. We will have a closed session with Senator Tower on financial and other matters that are kept confidential under our committee rules, and then any open session follow-up which may be required, if one is needed. At the completion of our hearings, the committee will make a written report to the Senate on our conclusions and recommendations.

The committee's preparations for these hearings began within days of the December 16 announcement by then President-elect Bush of his intent to nominate Senator Tower. Senator Warner and I informed transition counsel C. Boyden Gray and his assistant Sherrie Marshall of the committee's requirements, including the need to examine in detail the background information and investigation by the FBI. At the same time, our staff contacted both the transition office and Senator Tower to start the flow of paperwork necessary for a thorough review of all relevant documents.

I would like to emphasize to our members and to all that the executive branch is responsible for the preparation of the background investigation, financial disclosure statements and other initial determinations of conflict of interest, appearance thereof, and suitability.

The committee role is then to review that process and the documents to determine which need clarification or supplementation and to apply our own standards and procedures to the material and determinations provided by the executive branch. We also look to ensure conformity with existing rules, regulations and laws. We conduct our own investigations to supplement these as necessary.

When Senator Tower's nomination was announced on December 16, 1988, the FBI report was not complete. At that time, the FBI had completed what they termed a "Summary Memorandum containing the partial results of the investigation of John G. Tower."

That summary is now called Chapter 1. Chapter 2 was completed on December 23, and Chapter 3 was completed on January 6. On that day the transition office informed Senator Warner and I that the FBI report was available for our review, and we reviewed the report on the next day, that is, January 7.

Since then we have worked with the FBI, the White House, and our staff to obtain additional information to clarify certain information, to conduct our own review and investigations. Any other matters that may come to our attention during these hearings, or any additional information that may be needed on certain issues, will also be thoroughly reviewed.

The committee obtained Senator Tower's financial disclosure forms for this nomination as well as his previous Government service, his tax records for the last 3 years, copies of his campaign filings and certain receipts, his completed committee questionnaire, copies of all of his consultant contracts and other pertinent related documents, and his military service record.

The committee also conducted many interviews on a variety of matters. The committee has received the letters we require from the nominee, the White House counsel, the Office of Government Ethics, and the DOD General Counsel on conflict of interest and related matters.

I want to emphasize that throughout this process, we had excellent cooperation from the transition office and excellent cooperation from Senator Tower and the members of his staff.

Senator Tower is well known to the members of this committee, having served on it with distinction for 20 years, including 4 years as chairman. Beyond his congressional experience on national security issues, Senator Tower's qualifications are strengthened significantly, as the chief START negotiator and by his chairmanship of the Tower Board during a very difficult period for our country.

Senator Tower, as Secretary of Defense, all of your experience and expertise will be put to the test as the Bush administration and the Congress together deal with the significant opportunities and challenges confronting our Nation as we enter the 1990s.

The changes we have recently witnessed in the international security environment are profound and offer the hope of an unprecedented opportunity for fundamental progress toward the goal of a more stable and peaceful world.

President Gorbachev has announced major unilateral reductions in Soviet conventional forces which, if fully and faithfully implemented, could result in a significant decrease in the threat of a short-warning Warsaw Pact attack against NATO.

In just over 2 weeks, the Soviet Union is scheduled to complete its withdrawal from Afghanistan, which we hope will be completed.

Cuba has now pledged to withdraw 50,000 troops from Angola.

Vietnam is discussing removal of its forces from Cambodia.

The cease-fire in the Iran-Iraq war continues to hold.

The area of arms control presents additional opportunities for improving the stability of the East-West military balance, and a new negotiation on conventional armed forces in Europe is now set to begin this spring and start a negotiation in which our nominee has unique experience.

The United States and the Soviet Union have made substantial progress. If the Bush administration and Congress can forge bipartisan agreements on where we want to go with our ICBM modernization as well as the Strategic Defense Initiative, and both nations show imagination and flexibility in overcoming the remaining hurdles, then there is every chance of concluding START in a manner which will enhance our stability and security.

There are also opportunities in the areas of risk reduction, nuclear testing, chemical weapons, and missile proliferation for both superpowers to advance their mutual interest and stability.

Along with these opportunities, however, there will be some very serious challenges as well.

This spring, NATO celebrates its 40th birthday. In responding to Mr. Gorbachev's skillful diplomacy, a fundamental rethinking of the alliance's force posture and arms control positions is essential.

The next Secretary of Defense's ability to lead will be constrained by the recent erosion in public confidence in defense management. We must restore this confidence, particularly in the area of defense procurement, and I know that Senator Tower will be addressing that.

As part of the overall deficit reduction effort, the Department of Defense faces the prospect of further reductions in the Reagan-Carlucci defense budget, which has already been strained by the significant adjustments to date.

U.S. national security strategy is currently overreaching and ambiguous. It needs careful revision in light of the recent significant changes in the international security environment. In the absence of such a strategic framework for making defense budget decisions, it will be very difficult to forge a consensus on the pace and direction of major defense programs, especially the modernization of strategic offensive and defensive forces.

The next Secretary of Defense will inherit a bureaucracy that has often resisted important reforms, including those recommended by the Packard Commission in procurement and those mandated by the Congress in the Goldwater-Nichols Act and in the area of Special Operation Forces and Low Intensity Conflict.

Senator Tower, these are just a few of the opportunities and challenges that we are looking forward to exploring with you and getting your plans and your outline for conceptual thinking.

I would like to yield now to the distinguished ranking minority member, Senator Warner, for any comments he may wish to offer at this time. I will then ask Senators Bentsen, Gramm, and Dole to introduce Senator Tower, who in turn will introduce members of his family and the guests who are present.

Then in recognition of the longstanding relationship that members of this committee have with Senator Tower, I am prepared to break with the traditional practice and permit other committee members to make opening statements. We will then return to Senator Tower for his opening statement. First, Senator Warner.

Senator WARNER. Thank you, Mr. Chairman, and welcome, John, back before the committee.

Before going any further, I want to commend Chairman Nunn for the manner in which he has chosen to conduct the committee's preparation for these confirmation hearings of this distinguished American.

The chairman and I have worked as a team on every aspect of the nomination thus far. The staff has been directed to operate jointly on all matters, and they have done so. We have been given access to all information, have participated in all meetings, and have been involved in all decisions about how to proceed with the nomination.

In short, the minority has been afforded a greater role in preparation for this nomination than has been the case in any previous nomination in the 10 years that I have been privileged to be on this committee, and more than likely in the history of the committee.

Second, there may be some question in the minds of some on the manner in which we have conducted the hearing thus far. I believe the chairman and I have done everything possible to see that the elements of fairness and thoroughness have been done.

We have a fiduciary obligation under the Constitution to the people of the United States, to our President, to the Senate and to you; and I am confident that the record will bear out our obligation as having been fulfilled fairly and impartially. We have tried in every way to accord you precisely the same respect and thoroughness that we would to any other individual coming before this committee. There is no dual track for a former member and an outsider.

John Tower's understanding of national strategy and the issues and problems facing our military today is unparalleled. He served in the military and is today a master chief petty officer in the U.S. Naval Reserve. From this vantage point, he has gained an understanding of those issues which are of most concern to the enlisted members of our Armed Forces.

During his 24 years of involvement in national defense and foreign policy issues in the Senate, particularly on this committee, Senator Tower worked closely with the leaders of our allies and numerous major international security organizations.

As START ambassador, his knowledge of arms control issues contributed immeasurably to our recent progress in this area, and to the significant improvement of our relations with the Soviet Union.

His leadership of the Special Review Board of the Iran-Contra affair demonstrate his objectivity in dealing with this sensitive matter and his extraordinary understanding of the major elements of our national security policymaking organization and process.

I commend the President for selecting such an experienced and distinguished American to be the next Secretary of Defense.

Chairman NUNN. Thank you very much, Senator Warner. I appreciate the tremendous cooperation we have had from you and your staff in what you have described as a joint effort, which it truly has been, in preparing for these hearings.

I am told that Senator Dole is willing to, and has suggested that he be the clean-up hitter with our three distinguished Senators, and that Senator Bentsen will lead off, followed by Senator Gramm. We welcome all of you here today, and we are pleased to have you introduce our nominee.

Senator **Bentsen**. Thank you very much, Mr. Chairman. As a former member of this committee, I am delighted to be before this distinguished committee and to be here supporting my friend John Tower as a man I think very well qualified to be Secretary of Defense.

When I first considered the matter of appearing before this committee, I thought John Tower really did not have to be introduced, having been its distinguished chairman from 1981 to 1984. But in checking on this committee, I find that approximately a third of the committee came to the Senate after John left the U.S. Senate. So to each of you, I want to assure you that I feel John Tower is strongly qualified to be Secretary of Defense.

He was an enlisted man in the Navy during World War II, with four decades of service in the Reserves; in addition to that, he served in the U.S. Senate for 24 years, with a very primary interest in the defense of our country.

I believe his chairmanship of the Iran-Contra affair demonstrated his toughness and his independence of judgment. He also learned from that experience that national security is too important a subject to be left to the supervision of subordinates.

John Tower is for a strong defense, no question about that. I am sure that he will be an advocate for national preparedness. But he has been willing to make the tough choices in order to comply with fiscal restraints as dictated by law and by policy. As I said when he retired, John Tower is too much of a conservative to turn a blank check on the Treasury over to the Pentagon, even if that blank check is to pay for national defense.

John, I do not really envy the job that you have ahead of you, because you are going to have to try to squeeze more of the waste out of the Defense Department, and some corruption that we have been finding.

But I believe that very reputation for toughness and fairness should permit him to do that job with skill and with success, and I hope that this committee, after giving the witness his baptism of fire, will approve him.

John Tower is a partisan. He makes no apologies for that. He is formidable on the campaign stump. I had that brought to my attention a couple of times last year during the campaign. But that political contest is behind us, and he understands that national defense is a concern of all Americans.

I believe he will be a very able Secretary of Defense, and that his nomination deserves bipartisan support.

Chairman **Nunn**. Thank you very much, Senator Bentsen. Senator Gramm.

Senator **Gramm**. Mr. Chairman, let me first say I am happy to be back before this committee, a committee that I had the pleasure to serve on for 4 years, and I am especially proud to be here today to introduce and to commend for appointment to this committee my dear friend John Tower to be Secretary of Defense.

John Tower represented my State in the Senate for almost a quarter of a century, and in that quarter of a century I think he consistently showed that he was concerned about national defense.

It was not always popular during that quarter of a century to be in favor of a strong defense, and there were times when the public support lagged, and there were times when tough decisions had to be made, and there were good times in terms of the capacity, beginning in 1981, to rebuild national defense to strengthen America.

But in good times and bad times, when it was popular and when it was not, John Tower did not just stand for Texas. He stood for a strong defense, to keep Ivan back from the gate and to keep the world free. I do not know of anybody who is in a better position to be Secretary of Defense in an era when we are going to have to make tough decisions.

I think it is going to be absolutely critical that we have someone who has the confidence of the Congress so that when he says that in a time of tough decisions, that we can defend America without a weapons system, that there are going to be few, if any, who doubt that John Tower is sincere in that statement.

I think John Tower has the brains, and the heart, and the integrity, to do this job. I am confident that he can become a great Secretary of Defense. I look forward to working with him in that capacity. I am proud of his record in the Senate. I am proud to serve in a seat that he served in for almost a quarter of a century.

I hope this committee will approve this nomination and send it to the floor. I hope it is approved by the Senate overwhelmingly, and I am proud to join my colleague from Texas and the Republican leader in commending John Tower to you.

Chairman NUNN. Thank you very much, Senator Gramm. We all miss you on this committee. The only consoling feature is that we are proud to have someone with authorization experience now on the Appropriations Committee. [Laughter.]

Senator Dole, we are honored and delighted to have you here today, and we appreciate your introducing the nominee.

Senator DOLE. Thank you very much. I would agree, he does not need any introduction, but I have had pretty good luck with the Secretary of Labor, and thought maybe I could drop in over here.

I have known John Tower—in fact, we were fraternity brothers at different schools. He is much younger, but we have known each other for a long, long time. And I have had the opportunity, as everybody who is here when John was here, to know John Tower, to know that he was tough, but to know that he was fair, and to know that as has been indicated by Senator Bentsen, John Tower has been working on defense since he was 17 years of age. That is when he went into the Navy. He has had a lot of experience in the Senate. We are going to need someone who understands how this place works, and how the House works, and someone with John's expertise, and I can tell you, as many of you know, including the chairman and the ranking member, John Tower can stand toe to toe with most anyone in this country and talk about different weapons systems, arms control, procurement—whatever the issue may be—virtually off the top of his head. He is a student, and he has made defense his number one priority as long as I have known John Tower.

I am here today to join my two friends from Texas and to indicate to this committee—and certainly you are going to go into policy matters, you are going to go into other matters. You are going to give John the same treatment, as Senator Warner said, anybody else would expect from this committee, whether he is a former member, or someone from the public, wherever. That is the way it should be. That is the way the system works.

There are probably going to be a lot of questions. We have different views on some systems and some ideas about arms control; but keep in mind, too, I think as the chairman pointed out, that John Tower understands the Soviets. He has been eyeballing the Soviets and did for some time in arms control matters, and that is a big, big plus.

So for all the reasons that have been stated and will be stated by many of my colleagues, I am very proud to be here. Proud to call John Tower my friend. I admire him for what he has done for America, what he has done for his country, his public service. I have known him and his family for a long time, so I am here as just another Member of the Senate, knowing that this committee has a very thorough examination in store.

That is the kind John Tower wants. He understands that. That is what he wants, the only way he would have it, and when it is all said and done, there is no doubt in my mind that the next Secretary of Defense will be John Tower from Texas.

Thank you.

Chairman NUNN. Thank you very much, Senator Dole. We again thank all of you for being here.

Senator Tower, I know you have some distinguished guests and members of your family here today. And before you have to listen to further comments from this end of the table, we would like for you to introduce them, and we welcome them.

Senator TOWER. Thank you, Mr. Chairman. I do have members of my family here today, and I would like for them to stand. My daughter Penny Cook, my daughter Maryann Tower, my daughter Jean Tower—Jean Cox, sorry. She was the first one to get married too. And their mother, Lou Tower.

Chairman NUNN. We welcome all of you. We are glad to have you. Do you have any other guests you want to introduce?

Senator TOWER. Well, I have a lot of other guests, but I will not introduce all of them, Mr. Chairman. I have a cheering section here. I just think maybe it would be in my interest if they do not cheer too loudly.

Chairman NUNN. Well, we will turn to the committee members now. I know that a number of people on this side of the table would like to make some comments. I will start and we will go down in seniority, Senator Exon, and then we will switch to the Republican side.

Senator EXON. Thank you very much, Mr. Chairman. And Senator Tower, welcome back again. It is good to see one in the room again that I have worked with for so many years on national defense. I think that your former colleagues who introduced you here did an excellent job.

As long as I am handing out bouquets, I want to hand out some bouquets to begin with here today to the chairman of this committee, Senator Nunn, and the ranking member, John Warner, for an exceptionally well done job in preparing for this hearing.

Let me set the record straight. I think this is by far the most difficult confirmation hearing that this committee has held, at least since I have served on it. Certainly we have a man that we know well was a teacher, a Senator, and an expert on national defense.

We want to make sure that he has a totally fair hearing. And since there have been some questions raised which must be clearly aired, we want nothing more than fair, total fair consideration for our former colleague.

I simply salute the leadership of this committee, the chairman and the ranking member, for the outstanding job they have done this far. And I want to assure you, Senator Tower, that I believe we have guaranteed you a fair hearing. And anyone who wishes to bring up anything is going to have a chance to do so here within the realms of what is right, what is proper, and our rules, regulations, and national security.

Certainly you come, in my view, well prepared for your newly-nominated post. Nonetheless, you and I, and all the members of this committee, face the task of providing a sound and affordable defense for our great Nation.

The challenges we face are many. First and foremost, we have to streamline our defense process so that we may maximize our defense dollars through stable spending and planning. The Congress must do more in this regard, and must get the help of the Department of Defense.

We also must cooperate more with our allies, in all aspects of defense, especially for the research and development of increasingly complex and expensive weapons. We must also press our allies to assume their fair share of the burdens of defense.

Additionally, we must be flexible in our dealings with the Soviets while still keeping our guard up. Offering sound arms control initiatives is essential in this regard and this is certainly one of the areas among many where you excel.

Specifically, with regard to the Strategic Forces Subcommittee which I chair, there are also major challenges. Above all else we must have a safe and reliable supply of tritium for our nuclear deterrent.

I will be asking you some questions about that as to what your views are on this problem.

Of course, the issue of ICBM modernization must be conclusively dealt with this year. Any further political delay impairs our national security. We must also work to contain the spread of chemical, nuclear, and biological weapons.

In short, we are at a crossroads. And if there is one problem that I think the next Secretary of Defense is facing, it is a fiscally bankrupt policy that we currently have for national defense, which has all kinds of ideas, systems, and concepts in the pipeline, but not enough money to pay for them. The next Secretary of Defense needs a clear cool head.

Welcome to you, and I will be glad to proceed with the questioning when my turn arrives.

Chairman NUNN. Thank you, Senator Exon. Senator Thurmond.

Senator THURMOND. Thank you very much, Mr. Chairman. Mr. Chairman, I was in the Senate when Senator Tower first came to the Senate. I soon learned he was an unusual man, short in stature but big in brain.

I have had the pleasure of serving on the Armed Services Committee with him. And in 1981 I was the senior member and could have become chairman of this committee, but I held back for him then, because he had assisted me when I changed parties, and allowed me to attain that rank.

I have held back for several others since then too, but I expect 2 years from now to maybe change my mind. All these are fine gentlemen, but I am only glad to accommodate them up to a point.

I just want to say that in my opinion, Senator Tower is a man of integrity. I have never known any dishonorable act on his part. He is a man of great physical and moral courage. He joined the Navy at 17 years of age, and fought in combat. He did not have to go at that time.

On moral questions, moral courage, he stood up and has taken positions about which some people would have just kept quiet. I have admired him for his moral courage. He is a man of great mental capacity.

He was a college professor. He is well-versed. He has a broad knowledge of matters in general, in military as well as other matters. He is an intellectual but has not turned left yet. And I do not think he will.

He is a man of great military expertise. I do not know of a man in this country probably that has more military expertise than John Tower. I have had the pleasure of working with him, and I have come in contact in my 34 years in the Senate with just about all of them.

He loves humanity. He has proved to be a leader. He was not only chairman of the Armed Services Committee, he was chairman of the Republican Policy Committee. I am very glad to be here as a member of this committee to endorse him, as I think he will make one of the finest secretaries of defense that this country has ever had. Thank you.

Chairman NUNN. Thank you, Senator Thurmond. Senator Levin.

Senator LEVIN. Thank you, Mr. Chairman. Let me join you in welcoming our former colleague, Senator Tower, to this hearing, and add my voice in commendation to you, Mr. Chairman, and to you, Senator Warner, for the way in which you have processed a very complex hearing that we are undertaking here.

I will be focusing on many areas, Senator Tower, as you might imagine, on the ABM Treaty and SDI, the level of funding for SDI, how you are going to root out waste and fraud in defense procurement, whether or not we need another nuclear land-based missile system.

But one of the things that I will be focusing on the most is the burden-sharing issue, and I want to just spend one moment on that. It is just simply long overdue that we bring our share of the West's overall defense burden in line with the economic realities of the modern world, and the budget realities of the United States.

Contrary to what one of your recent predecessors repeatedly told us, I believe that we can and must act to reduce the size of our active duty forces deployed overseas, that we can do so without abandoning our commitments to our allies or reducing the capacity of the West to defend itself.

What is needed is a review of what the West's defense needs are in relation to the threats that we face, including a close look at how our allies can provide more of the ready forces that are needed to defend their own territory.

We must act. And I believe that the next Secretary of Defense has a mandate to act in a way that rationally shifts some of the costs of defense to our allies, and to do so in a way which does not weaken the United States and the West as a whole.

The world has changed dramatically in the last 40 years, but today we bear a defense burden as though our allies' economies were still ravaged by war. According to the most recent report of the Pentagon, we are spending about $1,140 per American per year on defense while the Japanese spend about one-tenth of that for each of their citizens.

Japan and South Korea are not only back on their feet and running, but they are knocking us off our economic feet in the process. Yet the American taxpayer is paying seven times the defense bill of his Japanese counterpart, 7 to 10 times I mentioned before. And a significant portion of that is being spent to provide military security for Japan.

The magnitude of the disproportionate burden that we now bear is further illustrated by this fact. If our citizens paid what Japanese citizens pay for defense, we could eliminate our $150 billion budget deficit and have a large budget surplus instead.

As our allies have grown economically stronger, their relative share of the Western defense burden has actually gone down, not up. That is right. Our share of total Western defense spending is higher today than it was in 1980. In fact, the United States actually spends more for the defense of NATO than all 15 other NATO nations combined.

There has been a surplus of rhetoric in this country on defense burden-sharing but little action. The facts are there for everybody to see. Our taxpayers are paying more for the defense of the West than their compatriots abroad.

The challenge is to do something about it, and if confirmed you are going to find that doing something about it is one issue that I, along with many others in the Congress, intend to keep high on your agenda.

Chairman NUNN. Thank you, Senator Levin. Senator Cohen.

Senator COHEN. Thank you, Mr. Chairman, and what I see is a leaner John Tower here this morning, or this afternoon. I am not sure whether that means you are necessarily meaner or gentler within the Bush parameters, but welcome, Senator Tower.

I have been one of those who have had the privilege of serving with you while you were chairman of the committee, and I must say that I found you to be a man of great intelligence and skill and integrity.

You came into public service as a man of modest means. You left as a man of modest means, some would suggest with more modesty than means. And I think that is a testament to your character.

The question that has been raised in the press that we are going to pursue today is, are you tough enough to take on the Pentagon? And the way in which the question has been phrased, it suggests that either you rule it or it will ruin us.

Now, I am not sure I agree with that particular formulation, but that is the way it has been phrased. Frankly, I do not see your role as being either an adversary of the Pentagon or an advocate for what the Pentagon wants, but rather a judge of what the American people need in order to defend their freedoms and their interests, and more importantly perhaps, what the American people are willing to pay in the defense of those freedoms.

The question, are you tough enough? Well, I could take a few moments to start ticking off the systems that you advocated that we cancel out of the Defense Department's proposals, beginning with one of your pet services, so to speak, the Navy, which you have accused of being biased in favor of—as I recall, you were the first one to speak out against the restoration of the *Oriskany*.

And there were others, including withholding, as I recall, nearly $1 billion on MX funding until the Department of Defense came up with a basing mode, and the A-6 and others. And you were the only member of this committee who actually advocated cutting a program that was built in his own State. I do not know of any other member that has ever done that on this particular committee.

You have also been accused of being anti-reform. But as I recall, you were the one who authorized this staff to begin the analysis of what had to be done to reform and reorganize the Department of Defense, which was carried out by Senator Nunn, Senator Goldwater, Congressman Nickles, and Senator Warner, and others. But that came under your leadership and certainly was not an anti-reform effort on your part. It was pro-reform.

If there is any doubt as to whether you are tough enough, I think the reality is such that you have little choice but to be tough, because the likelihood is that Congress is not going to provide much in the way of substantial increases for the defense budget in the next 5 or 6 or 7 years, and so you will have to make tough decisions.

The second question that has been raised is, can you make choices on the basis of merit and without undue influence, or has your integrity been tainted by your role as a consultant for a number of defense firms?

I have absolutely no doubt that your decisions are going to be based strictly on the merits. And I know, to give those who are here an example—and you seem to have attracted a very large, either cheering section, or one that may be in opposition—but I know how close you were and remain to President Reagan. I attended a fundraiser in which he helped you raise a staggering sum of money—by Maine standards, perhaps not by Texas standards, but by Maine standards—for your campaign.

But his friendship and his support notwithstanding, you conducted an investigation into the Reagan White House operations, you filed a report that was tough and straight from the shoulder. And you did so, I might add, with very little staff and very little time.

Senator Tower, I think you have made a substantial contribution as a Senator to this country, and as an arms control negotiator. I am satisfied as Secretary of Defense you will make an even greater contribution, and I welcome you here.

Chairman Nunn. Thank you very much, Senator Cohen. Senator Kennedy.

Senator Kennedy. Thank you, Mr. Chairman. I too want to join, as a member of the committee, in commending you and Senator Warner for the procedures that you have put in place to make sure that this committee and the Senate will have all of the information available to make a balanced and informed judgment on this nominee.

I too want to welcome the former chairman of our committee back to the Armed Services Committee. We did not always agree on the issues, but I respected Senator Tower as a chairman, and I look forward to working with him as Secretary of Defense.

I might add a personal word at the outset. Ordinarily, the Senate confirmation process is the major ordeal that a nominee endures. Senator Tower also has experienced another ordeal in obtaining the nomination, and I think I speak for many Senators on both sides of the aisle in saying we deplore the unseemly treatment he has received. It was unfair, but he endured it with characteristic determination, and he deserves credit for prevailing.

The immediate challenge facing the new Congress and the new administration is to maintain defenses capable of protecting our vital interests internationally without breaking the bank domestically.

The day of the blank check for military spending is over. In all probability the pressure of the deficit will keep the Pentagon budget at zero real growth or slightly lower for the foreseeable future.

The challenge has been characterized as that of a contractor on a 100-story building who suddenly discovers that his finances are enough for only 65 floors. Congress and the administration are going back to the drawing board to produce a full-service 65-story building rather than the hollow shell of a taller skyscraper.

As is often the case in these situations, we will have to find a better structure in the end, and Senator Tower has the ability to be the right contractor for the job. The question is whether Senator Tower sees the new 65-story building or is still looking for the 100-story skyscraper.

Our budget targets will be easier to meet if we take advantage of the opportunities that lie ahead in arms control. The Reagan administration made remarkable progress here.

General Secretary Gorbachev has said that the Soviet Union is ready to negotiate new agreements on both strategic and conventional weapons. If there is any area where the Bush administration should hit the ground running, rather than pausing to reinvent the wheel, it is in nuclear arms control.

Here too, Secretary Tower will find Congress ready and willing to work closely with the administration to build on the foundation that President Reagan laid.

Finally, after the recent Pentagon procurement scandals, we face the challenge of working together to restore the integrity of the Defense contractor process. Here again Congress stands ready to work with the administration to enact and enforce whatever reforms are needed.

The Department of Defense has had enough of "Ill Wind." It is time for the new breeze, of which President Bush has spoken. Mr. Chairman, I commend Senator Tower and his nomination and look forward to questioning him on specific issues and priorities.

Chairman **Nunn**. Thank you, Senator Kennedy. Senator Wilson.

Senator **Wilson**. Thank you, Mr. Chairman. Mr. Chairman, I think those of us who have had the excruciating privilege of sitting with John Tower in the late hours of, say, the fifth or sixth day of a conference with the House of Representatives Armed Services Committee know full well the answer to the question raised by my friend and colleague, Senator Cohen.

He not only can be tough, but we know, having been there with him, that he can be absolutely ruthless about a bad program. Not a man to play poker with. But what I would say is I think it is very clear that he comes to the job of Secretary of Defense better prepared perhaps for it than anyone in history, and comes at a time when that job is, I think, clearly at its most difficult moment.

In 1980, a president had been elected because the American people were desperately concerned that America restore its credibility in the international arena. As has been pointed out with great eloquence today by several members at this table, today we are at a juncture where we are concerned about America's ability to not just survive but continue to be a leader in a very competitive economic world.

Senator Tower comes to this job with qualifications that I think few other people have ever been able to bring to it. He knows the Pentagon thoroughly. As his own statement reveals, he knows the obligations that America has encumbered itself with over a succession of national administrations.

Perhaps most importantly, he knows the Hill. He was for more than two decades a Member of the Senate. He gave distinguished service as chairman of this committee. For those who think that John Tower's philosophy is jingoism, they have obviously ignored the tremendous leadership that he gave and the patience that he displayed as the leader of America's negotiating team in Geneva on the START talks, in effort to wisely take America and the world to a position of greater safety.

As my friend, Bill Cohen, has pointed out, those who would mistakenly raise a question as to his ability to be tough in another sense, to have the intellectual honesty and the courage of his convictions as it relates to doing things that are unpleasant, need only to be reminded of the fair and frank and courageous chairmanship that he gave to that Iran-Contra Commission.

So I would simply say that it is proper, as the chairman and the ranking member have led us into an inquiry that has filled this room because of the tremendous importance of your confirmation, it is proper that we ask difficult questions, that we engage in the kind of inquiry that will leave America assured that in fact you are, as I can see, the best qualified Secretary of Defense to enter that position perhaps in its history.

I can think of very few moments in the history of this Nation when the man and the moment have been better matched. It is a very difficult moment. I am convinced that John Tower has the requisite capability, the capacity, the courage, and when we are asking tough questions it will be for the purpose of giving that assurance to the American people.

Senator NUNN. Thank you, Senator Wilson.

Senator Bingaman.

Senator BINGAMAN. Thank you, Mr. Chairman.

Senator Tower, it is a pleasure to see you before this committee again. When I came to this committee, you were the chairman. You provided the leadership to this committee at that time, and I look forward to your stint in the Department of Defense, which I think is the very likely outcome of this hearing, and the process that you are engaged in.

Let me mention two areas of concern that I will provide some questions on as we get further in the confirmation process.

There are many of us in Congress who are anxious to know whether the Department of Defense will propose something significant in the way of acquisition reform or whether we are left with a continued streamlining of the status quo in that area, and that will be an area that I will have some questions in.

Of course, another is the basic question of how broadly you and the Department under your direction would interpret or define the subject of national security and whether, in fact, some of the economic concerns of this country should play a part in our national security policy as that policy has been made.

Many in this Congress have pointed out that there has been a lack of coordination between the Department of Defense decision making and decision making in other parts of our Government, and we can get into some specific cases where that has been a major problem, and I hope we can get your attention to it at the highest level of the Department of Defense.

Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator Bingaman.

Senator McCain.

Senator McCAIN. Thank you, Mr. Chairman.

I would like to welcome my friend of many, many years, Senator Tower, here and his very attractive and wonderful family.

There is very little I can add to what has previously been said by my colleagues, but I would like to highlight a couple of aspects of Senator Tower's experience and what he brings to this position which are in some ways unique and indeed critical at this important juncture.

First of all, I think it is important to point out that John Tower is no establishment elitist. He is the first enlisted reservist ever to hold the position of Secretary of Defense. Noncommissioned officers throughout this country and throughout our armed services are going to take pride in the knowledge that one of theirs has now ascended to such a high position.

Because of that background, every member of the military will understand that he has a keen understanding of the difficulties and the arduous work and tasks of working in the military. He also understands being a member of the Armed Forces of the Nation, which is required to defend freedom and democracy throughout the world under the most difficult conditions, and can give our military confidence that the Secretary of Defense will do everything he can to maintain the state of readiness, their training, and their morale which is vital to our ability to defend this Nation's vital interests throughout the world.

I would also like to add that at no time in the history of the NATO alliance has there been so many strains and stresses exerted from various directions on the most lasting and enduring alliance that this Nation has ever entered into. There is no man who is more highly qualified or more highly respected by our NATO allies and their leaders than John Tower. In fact, next weekend, in West Germany, John Tower will be embarking on that arduous task of trying to maintain and tighten the bonds that exist between the nations of the Western World.

Finally, there is a need now, as never before in this Nation, for a consensus on defense. This is not simply a matter of dollars. Our new relationship with the Soviet Union, our new focus on problems in Latin America, and the challenge that the Japanese and our Asian friends present to our economy, mean that we need to rebuild a consensus for defense in this Nation if we are to effectively deal with either our allies or potential opponents. I am not clear what that new consensus should be made up of. But, with the articulate capability and experience and talent that John Tower brings to the job, I believe that we can regain that much needed consensus on defense which we lost somewhere in the tragedy of the Vietnam war both within the Congress and within the Nation.

Welcome, Senator Tower.

Chairman NUNN. Thank you, Senator McCain.

Senator Glenn.

Senator GLENN. Thank you, Mr. Chairman.

I would also like to welcome Senator Tower back to the Armed Services Committee. Unfortunately, I joined this committee in 1985, transferring from Foreign Relations, so I did not have the opportunity to serve with Senator Tower while he was chairman.

But, Mr. Chairman, I consider this nomination hearing to be one of the most important reviews, not just a hearing on confirmation for a single person, but also a review of defense issues, that this committee and this Senate will conduct as we begin this new administration.

The position of Secretary of Defense is one of the most important nominations the President will make, and it is one of the toughest jobs in government. No one denies that.

I believe the very first responsibility of a government is to keep our people alive and independent and free. It means their safety and survivability must be assured with a strong national defense. Then all else becomes possible.

Now, after 4 years of negative growth in defense spending, the administration and the Congress no longer have the luxury of procrastinating in making the hard choices and in prioritizing our defense requirements. We see a changing Soviet Union, a changing view of the threat with some of our European allies.

As these changes have occurred, it makes very tough choices for John Tower if he is confirmed as Secretary of Defense and it makes some very tough choices for this committee.

This committee and Senator Tower were part and parcel of creating some of this potential bow wave in defense spending that is giving us such a difficult budget situation right now, and we have very, very tough choices to be made and what we are going to do about prioritizing some of those choices.

Military strategy, military organization, military equipment should come from a well thought out foreign policy, not the other way around. Our military policy should not be such that we buy whatever weapon system is being presented and then find that the system in turn dictates our worldwide objectives and what our foreign policy should be.

Our national security objectives and our world leadership commitments in a time of change should determine our military posture and our requirements and not the other way around.

So, Senator Tower, I congratulate you on your nomination to be Secretary of Defense, and look forward to hearing your views on these and a wide range of other issues over the next few days. Thank you.

Chairman NUNN. Thank you, Senator Glenn.

Senator Wallop.

Senator WALLOP. Thank you, Mr. Chairman. Let my thanks be added to those you have already heard to you and Senator Warner for the means and manner in which you have set up this hearing process.

John, it is a pleasure for me to see you as the President's nominee for Secretary of Defense. We hear at this table and around and about town and other learned bodies, a whole variety of things, one of which is we have to redesign the acquisition process. We have to do a lot of things.

It strikes me as Secretary of Defense your job encompasses that, but it is far more complex. Before we redesign the acquisition process, we perhaps better design the process by which we determine what we need to acquire. And there is a perception growing within the democracies of the Western alliance that the threat we face is, if not vanished, so diminished that there perhaps may no longer be any burdens necessary to share.

You well know, as I do, that in a democracy it is hard to tell people that two antithetical things exist at the same time. It is impossible for us to say that Gorbachev represents a new and trustworthy era, that the cold war is over, that the events have so been reshaped that the time is no longer threatening and at the same time argue to the European and the American public that the threat continues to exist, and that we must confront it.

I see that unraveling of the political process in Europe which I was concerned about during the consideration of the INF Treaty. I think you see it in Europe, the starting reluctance not only not to share burdens, but not to modernize.

And it becomes true simply because the leaders of the Western World have confused their politics with their leadership requirements, and I think therein lies perhaps your greatest challenge.

We have seen that since Gorbachev took power, that they have built and deployed, despite their public image, more than the combined armies of Germany and France. And now we are trying still to tell people that in this new era the threat is diminished. My point is that democracy cannot stand an argument going in opposite directions from a central point.

My plea to you and to President Bush is to tell the people the truth about the threat. I have no doubt in my mind that the American people will support any logically presented argument, and I believe you to be the man with courage enough and integrity enough and intelligence enough to present that threat.

I look forward to working with you.

Chairman NUNN. Thank you, Senator Wallop.

Senator Gore.

Senator GORE. Thank you, Mr. Chairman. I will be brief, in part much of what I have to say has already been said by others, but I do not want that fact to deprive me of the opportunity to also compliment you and Senator Warner for doing what is very difficult.

It would have been easy for this committee to have a pro forma confirmation process that would not have looked pro forma, but would have, in fact, been pro forma and you and Senator Warner and the staff have done such an incredible amount of work that I already see the results that this hearing will realize.

It has been extremely substantive and will involve the kind of in-depth review that Senator Glenn spoke of as well as all aspects of a confirmation hearing as it should be conducted. For that I genuinely compliment the two of you and the staff.

Senator Tower, I did not have an opportunity to serve with you in the U.S. Senate, because the day I was sworn in was your last day in the Senate, so we overlapped only briefly.

However, I have had an opportunity as a member of the Arms Control Observer Group to witness your work in Geneva up close, and I want to say for the record that I found your work as our START negotiator to be exemplary in every respect.

I was most impressed with your thorough knowledge of not only the details but the theories and larger issues that lurk behind the details. As someone who has tried to work very hard on that particular subject, I was very grateful to have someone with your depth of knowledge in Geneva.

I frankly did not know what to expect as I got to know you in that role, but I was most impressed and grateful for the chance to work with you.

Second, I did not see this up close any more than other Americans saw it through the news media, but when you undertook the challenge of heading the internal investigation of the Iran-Contra affair, I was impressed by the hard-hitting approach that you took.

Now, there will be tough questions during these hearings, and I wish to telegraph for you my concerns or rather the areas that I will be exploring. First of all, I think it is time for our country to finally solve the strategic modernization issue, to protect our national security, and to support our efforts in the arms control talks, and I will have some questions, not all of which you will be able to answer in advance of a presidential decision, but I wish to explore these areas with you.

Second, I wish to explore the area of procurement reform as other members of this committee will do.

Now, finally, in closing, I welcomed the stress on bipartisanship which came in the inaugural address, particularly where foreign policy and defense policy are concerned.

I have long felt that our country will be more successful in its negotiations with the Soviet Union and more successful in protecting our national security if we can find ways to rebuild bipartisanship in foreign policy and defense policy. I say that in the knowledge all of us have that it is a lot easier to talk about it than to actually do it.

And with the short resources you will have to work with, the tradeoffs will put further strains on the efforts to achieve bipartisan solutions because these tradeoffs will inevitably arouse strong political differences. But bipartianship in these conditions means reaching across the gap when it is most likely to widen and means readiness to place primacy on the need for agreement in crucial things, as the President said, in order to permit the country to move ahead.

We will face these choices over and over again in the area of defense policy, and I pledge to work in that tradition. I hope that bipartisanship will be rejuvenated, and I want to express confidence that it will be. And I look forward to your responses during these confirmation hearings.

Chairman NUNN. Thank you, Senator Gore.

Senator Gorton.

Senator GORTON. Thank you, Mr. Chairman, and welcome, Senator Tower.

As I look at your background, I find it difficult to imagine a person whose entire life has better qualified him to serve in this position. From the time you served as an enlisted man in World War II, your study and concern for national defense issues, your experience here in the Senate, and especially as the chairman and leader of this committee, your work as an arms control negotiator which contributed to the first nuclear disarmament treaty in history, the quality of your investigatory work at the beginning of the Iran-Contra scandal, and your continued interest and participation in civilian life in matters with which we will be greatly concerned over the next several years, your experiences certainly are appropriate and certainly are a magnificent background for this position.

You also, as many people have told you, have been a very tough leader and negotiator. While I never served on this committee with you, I may be very close to the only person sitting at this table today who ever won a fight with you on a defense issue on the floor of the U.S. Senate. But, I hasten to add, you won the war by the time it was over.

That toughness is going to be vitally important to you in this job as Secretary of Defense. So, of course, is your willingness to listen, not only to the President who has nominated you, but to the many and often disparate views of people thoughtfully concerned with events both in and out of the Congress. Most important of all will be the quality of your judgment and your ability to set priorities at a time of limitations; limitations which did not seem to apply to your immediate predecessor, but one who served during a time of rapidly increasing defense appropriations.

The true key to your success, it seems to me, will be your ability to make those judgments, to share your own strong views with others, and to listen to their views as well. My own analysis of your background indicates to me that you will have those qualities.

I look forward to asking you questions on specific areas about your philosophy toward our national defense and toward listening to those of others. But I do believe the interest which is shown here by the large number of people and the members of the press in this room and the tremendous attendance on the part of this committee shows the dedication and concern over one of the most important issues facing this country, and your central role in meeting the challenges ahead.

Chairman NUNN. Thank you, Senator Gorton.

Senator Wirth.

Senator WIRTH. Thank you very much, Mr. Chairman. I want to join with everybody else on the committee in commending you and Senator Warner for the way in which you have undertaken this nomination hearing.

Senator Tower, thank you very much for being with us. I appreciate your coming by the other day so we could talk a little bit about some of the concerns that we both share.

Let me, if I might, just note a couple of those concerns. Both items are driven—and in your tenure will be driven—by outside events: one, the budget; and two, our relationship with the Soviet Union.

On the budget side, Senator Exon and I have the pleasure of sitting both on the Budget Committee and on this committee, and we are going to be looking forward to any enlightenment that you can give us as to how we are going to be able to fit all of the ambitious goals that have been set in the last 8 years into the very tightly constrained budget that we live with now.

Second, in the relationship with the Soviet Union, I remember a couple of years ago when I first sat on this committee, we heard from NATO that there were going to be bold new initiatives coming from NATO in the area of conventional arms control. Unfortunately, I think that the boldness has appeared to come more from Moscow than from Brussels, and I think that we are going to be faced with some very significant challenges to recapture the initiative in the West as much as we possibly can.

The Vienna mandate negotiations have just concluded and we are soon going to be involved in a whole new set of negotiations on conventional arms control. I think that we are going to find this to be a long and frustrating process. It has been in the past, and I think we will probably find that in the future.

I am going to look forward to your comments on what steps we might take there immediately, as we discussed the other day in my office. I have been particularly interested in the area of confidence and security building measures, the soft side of arms control in many ways. Operational arms control one might call it as well. We might be able to move very rapidly and have some real momentum going for us in a variety of areas, from naval forces, to out-of-garrison notifications, to military exchanges, to the extremely important areas of doctrine exchanges and discussions of doctrine with the Warsaw Pact.

These are major challenges that you are embarked upon. You know that a lot better than I do, and I thank you for your willingness to undertake this great challenge and for being with us today, tomorrow and throughout these extensive hearings.

Thank you very much, Mr. Chairman.

Senator EXON [presiding]. Thank you, Senator Wirth. Senator Lott.

Senator LOTT. Thank you, Mr. Chairman.

Senator, I must say it is indeed an honor for me to be here today as a member now of this distinguished committee, one that as you know my predecessor served on for so many years and served as chairman, and to have you appearing here at the first committee meeting that I have been a member of the committee is really a special occasion for me.

I am anxious to hear what you have to say before the day is over, so I will be very brief. I just want to say that while I did not serve with you, obviously, in the Senate or on this committee, I have had occasion to work with you on a close personal basis. In 1980, when we were serving on the Platform Committee, I served as your cochair, and I watched you work long hours and do an outstanding job with a difficult task, and I learned during that experience what a brilliant leader you really are.

And also, like the Senator from Tennessee, Senator Gore, I watched you at the arms control meetings there is Geneva. You did a beautiful job there, and I think you are uniquely suited for the daunting task that is ahead of you as Secretary of Defense.

It has been said that you cannot put the fox in charge of the chicken coop. Who better to keep an eye on the foxes than a fox that has been there, that knows where all the various programs come from, and who does the work. You will do a magnificent job. I think you can make the tough decisions that need to be made without weakening the readiness of our Armed Forces.

And so we welcome you and congratulate you on being the Secretary of Defense designate, and I am look forward to working with you as the Secretary. Thank you.

Chairman NUNN. Thank you, Senator Lott. Senator Shelby.

Senator SHELBY. Thank you, Mr. Chairman.

Senator Tower, I do want to join the chorus and welcome you again to the committee that you chaired in a distinguished way for several years. You have already been mentioned as having given a substantial amount of your life to this country both as an enlisted naval man and in the 24 years you spent here in the Senate—you have made those substantial contributions.

You have an opportunity to make a greater one. What kind of a legacy would you like to leave to this country? I think that is important because you know the issues, you know the weapons systems, you know all about national security because you have been part of it. You have been one of the leading members of the Senate to rebuild America's defenses.

You know what we need as far as national security. I believe that. But what kind of policy and what kind of manager will you be? I think that is important. Another issue concerns the role that the Deputy Secretary of Defense will play in your tenure at the Pentagon? I think it is very crucial because the deputy is important to carrying out policy and making policy. You will be before the Senate and the House and around the world talking about policy, but somebody has got to implement it and he has got to have your complete confidence at all times. Otherwise he will wilt over there as so many of them have in the past.

When you are getting into your testimony, I would like to hear your remarks on this issue. I know you cannot cover everything in an opening statement, and we will not be able to cover everything in a few questions.

But we hope, before these hearings are over, we will have touched on a lot of bases that need to be covered. Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator Shelby. Senator Coats.

Senator COATS. Senator Tower, given the fact that I am the newest Senator, with no service on this committee and given your long and distinguished record of service, it is a little presumptuous of me to say welcome to you.

But I do look forward to the opportunity to hear your thoughts and plans for the Department of Defense. I view it as an opportunity for me to learn about the Department, its future, and particularly learn about you and your plans for that Department.

I view the task of providing for the security of this country as the primary task given to us by the founding fathers, our primary role. And for that reason I think your confirmation hearing and your appointment is critical to the future of this Nation.

I wish you well. It is a daunting challenge that you have in front of you, that we all have, of providing for that security, and at the same time facing up to the budget realities that dictate perhaps doing less than what we want to do. And that is an immense challenge.

I hope to be able to work with you in addressing that challenge, and wish you Godspeed in everything that you do.

Chairman NUNN. Thank you, Senator Coats. Senator Dixon, I believe you are our cleanup hitter here today, and then we will turn to our nominee for his opening statement.

Senator DIXON. Thank you, Mr. Chairman. Mr. Chairman, I am pleased to welcome my former colleague, Senator John Tower, in this hearing on his confirmation to the post of Secretary of Defense.

Our conventional forces lag behind the Warsaw Pact in Europe. We must reduce this imbalance if we are to maintain a realistic deterrent and defense capability among NATO countries.

I look forward, Senator Tower, to your comments on how the United States can sustain its conventional warfighting capabilities in the face of continued stretchouts of major conventional programs while at the same time increasing the strategic forces budget. And if we cannot realistically do both, what do we do?

As chairman of the Subcommittee on Readiness, Sustainability and Support, I am concerned that the fiscal year 1990 and 1991 budget requests will ensure a hollow force of weapons that are not adequately maintained or operated.

The budget does not sustain the gains we have made in the 1980s in the areas of ammunition stockpiles and troop training. What we have is the previous administration's request for ammunition programs which is lower in current dollars than it was in fiscal year 1982, as you know.

This decline contrasts sharply with the growth in funds devoted to strategic programs in the 1980s. Secretary Carlucci's recent Defense Department Annual Report to Congress for the Fiscal Year 1990 states, and I quote directly, "The Army has suffered a decline in munitions sustainability."

I believe shifting funds away from these areas reduces our warfighting capabilities. Tight budgets are forcing tough decisions. And we need to look closer at how we can get the best bang for the buck. Do we need to have the Air Force and Navy separately and at greater expense developing their own fighter planes?

Is a 600-ship Navy really an attainable goal? Considering the implementation of the INF Treaty and the tight national budget, are all current overseas bases really as necessary as the Base Closure Commission stated that they were?

Just the other day the Washington Post pointed out that this country is going to spend, and I quote, "more in West Germany than in any one of the United States except California on military construction projects in fiscal 1990."

On close air support, Senator Tower, does the Air Force really have the Army's best interest at heart? The timing is now right, it seems to me, to make the adjustments to our defense structure that will give us a cost-effective military capability.

My philosophy will not be one of confrontation with the administration, but one of working together for a strong, effective military force. And I believe the American people expect the Congress, and the executive branch, to achieve a defense status that we can afford and yet be secure.

Senator Tower, I look forward to your answers to the committee's questions and the opportunity to work with the President to protect the national security interest of our great country and the free world.

Thank you, Mr. Chairman, and I request your consent to place my entire statement in the record.

Chairman NUNN. Without objection.

[The prepared statement of Senator Dixon follows:]

PREPARED STATEMENT BY SENATOR ALAN J. DIXON

Mr. Chairman, I am pleased to welcome our former colleague Senator John Tower, to this hearing on his confirmation to the post of Secretary of Defense. Your nomination by the President to this Cabinet department, and these confirmation hearings, provide an excellent opportunity for us all to hear your views on the critical national security questions confronting the United States. Your prior service as chairman of this distinguished committee affords you a unique opportunity to evaluate our defense needs against our deficit problems.

This Nation is at a crossroads in dealing with the massive Federal debt and budget deficit. The Congress and this new administration must act responsibly and quickly to reduce these burdens which weigh so heavily upon our citizens.

I have been a consistent supporter of a strong national defense. While much has been done in recent years to improve our defense position, more remains to be done in critical areas. Our conventional forces lag behind the Warsaw Pact in Europe. We must reduce this imbalance if we are to maintain a realistic deterrent and defense capability among NATO countries. I look forward to your comments on how the United States can sustain its conventional war fighting capabilities in the face of continued stretchouts of major conventional programs, while at the same time increasing the strategic forces budget. If we cannot realistically do both, what do we do?

As chairman of the Subcommittee on Readiness, Sustainability and Support, I am concerned that the fiscal year 1990 and 1991 budget requests will ensure a "hollow force" of weapons that are not adequately maintained or operated. The budget does not sustain the gains we have made in the 1980s in the areas of ammunition stockpiles and troop training. What we have is the previous administration's request for ammunition programs which is lower in current dollars than it was in fiscal year 1982. This decline contrasts sharply with the growth in funds devoted to strategic programs in the 1980's. Secretary Carlucci's recent Defense Department Annual Report to Congress for Fiscal Year 1990 states ". . . (Army) has suffered a decline in munitions sustainability . . ."! I believe shifting funds away from these areas reduces our war fighting capabilities. Allocating excessive weapons procurement or development funds, such as to SDI, while neglecting to support our troops in the field translates into false savings and reduces the effectiveness of our military forces. At a time when, according to military experts, we cannot put six divisions in Europe in 10 days as planned when war breaks out, we need to be eliminating these kinds of shortcomings rather than increasing them.

Given the state of the budget in the conventional areas, I am greatly concerned as to whether the United States could sustain any prolonged military engagement at the present time.

This emphasis of strategic over conventional forces is clearly evident in the budget request for the individual services. The Air Force and Navy, which carry out the majority of our strategic nuclear missions, would receive additional funds while the Army and Marines, which perform the majority of our conventional missions, would suffer budget decreases. Budget gains for the Air Force represent 2.7 percent real growth and the Navy 1.3 percent. In stark contrast, Army funds decline in real terms by 0.1 percent, leaving the Army with reduced war reserves and ammunition stocks, coupled with delays in equipment modernization. The Marine Corps also lags behind in the battle of the defense purse and suffers a 9 percent decrease in operation and maintenance funding. In other words, the Corps will have less ammunition and will send fewer troops on less frequently held, valuable field-training exercises. The net impact on the Army and the Marines, is a reduction in military capability. While recognizing the need to modernize our strategic forces, I believe we need to sustain, yes, even strengthen our conventional forces.

An area that also needs close attention is the defense industrial base which I have been monitoring closely. The sale of Monsanto, the only U.S. firm that manufactures wafers from which computer chips are made, to a West German firm obviously threatens our control over the production of a component that is essential to our high-tech defense requirements. Another program that threatens our industrial base is the United States-Japanese co-development of the FSX, a Japanese experimental fighter scheduled for mid-nineties deployment. This program gives the Japanese access to coveted U.S. aerospace technology that potentially could be used to develop a world-class competitive aerospace commercial industry—one that could compete against U.S. companies and threaten U.S. jobs. There is also another pending sale between us and the Koreans over the co-production of the FX fighter plane. Neither of these sales, as presently constituted, are in the best interests of the United States. I believe we need to do a better job of negotiating these programs to protect our technology base and to protect future American jobs.

I am extremely disappointed that the Defense Department has ignored congressional direction by not working with the Commerce Department in negotiating these sales. Hopefully, the new administration can bring about a change in the Defense Department views on this extremely vital matter. I keep warning that the Japanese and the Koreans are going to jerk this fighter plane business right out from under us, but thus far my pleas have fallen on deaf ears. I am firm in my determination to keep fighting this battle, because it is absolutely senseless for us to allow this to happen. This situation ranks up there with the sale of steel scrap to the Japanese prior to World War II. The stupidity caused much grief in World War II.

Tight budgets are forcing tough decisions, and we need to look closer at how we can get the best bang for the buck! Do we need to have the Air Force and Navy separately—and at greater expense—developing their own fighter planes? Is a 600-ship Navy really an attainable goal? Considering the implementation of the INF Treaty and the tight national budget, are all current overseas bases really as necessary as the Base Closing Commission stated they were? Just the other day the Washington Post pointed out that this country is going to spend and I quote ". . . more in West Germany than in any one of the United States except California on military construction projects in fiscal year 1990 . . ."

On close air support: does the Air Force really have the Army's best interest at heart?

The timing is now right, it seems to me, to make the adjustments to our defense structure that will give us a cost effective military capability. My philosophy will not be one of confrontation with the administration but one of working together for a strong, effective military force. I believe the American people expect the Congress and the executive branch to achieve a defense status that they can afford and yet be secure.

Senator Tower, I look forward to your answers to the committee's questions and the opportunity to work with the President to protect the national security interests of our country and the Free world.

Thank you, Mr. Chairman.

Chairman NUNN. Senator Tower, you have been very patient in waiting for us to express our thoughts on this side of the table.

I can assure you that during your 4 years as Secretary of Defense there will not be any session at which you will have to listen to this many opening statements again. But I can also assure you that the membership feels this is a very important hearing, and all members addressed concerns that were very much on their minds.

So we welcome you again, and we look forward to your opening statement before we get to questions.

[The nomination reference, biographical sketch, and other related matters can be found on page 383.]

STATEMENT OF JOHN G. TOWER, SECRETARY OF DEFENSE-DESIGNATE

Mr. TOWER. Thank you very much, Mr. Chairman. With your permission, I should like to submit my opening statement for the record, and proceed informally.

Chairman NUNN. We will do it any way you want to, but we are not going to cut you short. You have been most patient, and we think your words are very important. So you proceed in whatever way you see fit.

Mr. TOWER. In that my statement has been distributed to members of the committee, and they have had an opportunity to read it, I would really like to give over the time to responding to the committee's questions. And I will summarize my remarks, and emphasize those that I particularly want to give emphasis to, if I can submit the statement.

Chairman NUNN. That will be fine. Your total statement will be part of the record, without objection.

Mr. TOWER. Mr. Chairman, first I want to say that it is a great pleasure to be back with this committee. I have always been enormously proud of my association with this committee, and of the very important role that it has played in the national security of the United States.

A great deal of credit has been given to the Reagan administration for the modernization of our military and for the military buildup which after a decade of neglect, through both Republican and Democratic administrations, had seen a reduction in spending in real terms over a period of time when the Soviets were engaged in an unprecedented military buildup.

Note that it was a Democratic-controlled Congress, during a Democratic administration in 1980, that began this process of refurbishing, modernizing, resupplying, and improving the morale of our Armed Forces.

And I remember very well the Nunn-Warner bill which resulted in a much-needed military pay raise. I remember that the Congress, on its own initiative, increased the defense budget, I think, in the range of $6 billion to $8 billion in that year. So that is where it all began.

I want to thank the chairman, the ranking member, other members of the committee, and the staff, for the thoroughness with which they have gone about the processing of this nomination.

I think that it is essential that, in a position of this sensitivity, thoroughness be dictated. And although I may have suffered a little discomfort from time to time, by virtue of things that appeared in the media, I think it was incumbent on this committee and on the administration to conduct a very, very thorough field investigation inquiry, and I commend you for a job well done.

I think that in the past perhaps our committee procedures have not been as thorough as they should have been. And I say that as a veteran of this committee, and I would say that was the case both under Democratic and Republican control.

Historically, we have not been that thorough. But sensitive positions demand thoroughness in the consideration of the people who are to fill those positions.

I want to thank all of you for the kind words that you said about me. I am afraid that you may have raised public expectations of my knowledge and ability somewhat uncomfortably, because I will have to confess that even though I have spent most of my adult life dedicating my intellectual resources and my interest to national defense, I have been out of the Congress for some 4 years now. And I have to concede that there are a lot of things that I am a little rusty on.

I will say that I am smart enough to know what my deficiencies are. And I am sure that, if I am not, that some of my former colleagues will be glad to point them out to me from time to time.

We are in a time of budget constraints. I have been an advocate of increased defense spending. I think it played a significant role in the military buildup of the early 1980s. As I said earlier, that was a reaction to a decade of neglect, of declining defense spending in real terms, in the face of an enormous Soviet buildup. And I would note there was solid public support for that buildup.

President Reagan and the bipartisan supporters of the military buildup could not have been successful in the early 1980s had it not been for the substantial public support.

I believe that today a majority of the American people still believe that we must do what is necessary to maintain a military capability at least equal to that of the Soviet Union.

But also that same majority of Americans believe that we have wasted an enormous amount of money on defense, that there has been mismanagement, there has been fraud, and there has been waste and abuse.

And I think that if we are to maintain a strong defense establishment in this country, we must restore public confidence, not just in the Pentagon but in the national security process. And I see that as a challenge that confronts me, and not me alone, but confronts the Congress as well.

I understand that we must live within constraints. I am not such a mindless hawk that I would come to you and ask you for a substantial increase in defense expenditure when I know that it is not going to happen.

However seized of conviction I may be, I am at once a realist. And I know that we have to operate within constraints.

And you know, on reflection, Mr. Chairman, members of the committee, maybe it is good that we are compelled to go through this exercise. Perhaps it will give us the discipline that we require to do things in the executive branch that perhaps we should have done long ago, and perhaps even do things in the Congress that perhaps the Congress should have done long ago.

This is a challenge that confronts not just me and the national defense apparatus—it confronts the Congress as well, and all those in the Congress who believe that we must maintain adequate military strength to deter our adversaries and defend our vital interests.

So let me make that very clear. I intend, as I said in my statement when announced by then President-elect Bush back in December, to try to achieve as much if not more defense for less money. I set that as a goal. And I will pursue it with every efficacious means possible.

There is a need for reforms. Steps have already been taken. Secretary Carlucci, I think has made some very, very significant strides, and I commend his stewardship of the Department, even though it was over a relatively short period of time. There is much more to be done.

I intend to fully implement both the letter and the spirit of the Goldwater-Nichols Act. It is my intention to implement every recommendation of the Packard Commission. The implementation of some of those recommendations may require additional congressional action.

In those instances, I will come to you, perhaps on bended knee, to ask you to assist me with the legislation necessary to implement those recommendations or any other reforms that perhaps even short experience would indicate to me might be necessary.

As you know, one of the principal and very important recommendations of the Packard Commission was biennial budgeting, biennial authorization and appropriations. And that, of course, requires congressional action.

And in my view, that would place a great deal of certainty and more stability into the acquisition process, and would enable us to program more efficiently and more economically. There will be more that we will all say to each other, I suppose, about that later.

I recognize that cooperation of the Congress is essential. And I intend to cooperate with the Congress. The President in his inaugural address set the tone by stressing bipartisanship, and I think of bipartisanship not just in terms of bipartisanship between Republicans and Democrats, but bipartisanship between the legislative and executive branches.

I think that, when we think of bipartisanship, one of the biggest problems has not been party partisanship but executive partisanship versus legislative partisanship. And that has been apparent in trends over the last 15 years, through both Democratic and Republican administrations, and through both Democratic and Republican control of the Senate of the United States.

As far as management style is concerned, I have the pleasure to note, it was announced today that Mr. Don Atwood, formerly vice chairman of the board of the General Motors Corp., has been named the Deputy Secretary of Defense designate, a man of extensive engineering and managerial background, a man of considerable experience who I think meets the criteria, the tough criteria, set forth in the Nunn-Warner letter to then-candidates Bush and Dukakis.

It is my view that we must put together a well-integrated management team in the Pentagon, a core management team, that works together. We can no longer have a Pentagon at war with itself. And we cannot select people just with an eye to their peculiar abilities.

You can find good managers, good defense experts, and take them freestanding and put them in particular jobs in the Pentagon, but unless you mold them into a team the system is not going to work as it should. You can end up with five wide receivers and no running backs.

And it is my intention to build a team with unity and integrity. That is to say, the principal senior officials of the Department of Defense, the Deputy Secretary, the two Under Secretaries, the service Secretaries, and certain other principal subordinates, and use that as something of a departmental cabinet.

It is my desire to see that we establish very clear lines of control and authority running downward through this system, and commensurately clear lines of responsibility and accountability running upward.

There is some overlayering of bureaucracy. I will do what I can administratively to deal with that. Where some of it is statutorily mandated I might come to you for relief. But I think that is essential, if we are to avoid the kind of thing that we see with Ill Wind, if we are to avoid waste and inefficiency.

The one who is responsible for the management at the top must be able to have a handle on the Department. And I am prepared to accept full accountability for the performance of the Department, both to the President and to the Congress.

As an old Navy man, I know that when the ship runs aground it is the captain who is responsible even if he was asleep in his bunk, and it is not the responsibility of the officer of the deck.

And I accept the full responsibility for the performance of the Department of Defense and am prepared to be held accountable by the President and by the appropriate Members of Congress.

I ask that when I request them you cooperate in giving me the management tools that I need to do the job, to the extent that they are not already available to me now.

Mr. Chairman, I think we are all encouraged by the recent progressive steps taken by General Secretary Gorbachev. We look forward to a thawing of the cool relationships between the United States and the Soviet Union.

But we must not luxuriate in wishful thinking. The world is as it is, not as we would like it to be. And in spite of the progressive moves of Mr. Gorbachev, in spite of the very intense and, I am afraid, all-too-effective public diplomacy campaign of his, there is still a formidible threat that confronts the United States and the Free world.

That threat has not diminished yet through the era of perestroika and glasnost. And it is incumbent on us to maintain the strongest possible defense commensurate with the threat that confronts us.

It is the policy of this administration to undertake a thorough review to clearly define national objectives and to formulate a strategy designed to achieve those objectives. And it becomes incumbent on us in the defense community then to tailor the military to the strategy—that is to say, to look at hardware and force structure with an eye to roles and missions.

We cannot afford any more pet rocks, Mr. Chairman, whether my pet rocks, or the respective uniform service's pet rocks, or congressional pet rocks.

We are going to have to undertake a thoroughgoing review in which nothing is sacred, and everything has to perform a role or a mission that contributes to the strategy designed to achieve national objectives.

In conclusion, Mr. Chairman, I want to say that questions have publicly been raised about my former association with defense contractors, and legitimately raised. And I expect perhaps not today but on another occasion before this committee, tomorrow perhaps, to respond to some questions in that respect.

I would simply like to say that I have severed all connections as a consultant with defense contractors as of last December 1. I have no continuing interest in them. I never owned any equity in, nor derived any commissions from, any defense industry.

I would not stand to gain at all from the prosperity of any of those former associates, nor would I be damaged by any financial failures of any of those former associates. I am damaged only by the limitation on my salary imposed by the Congress of the United States. More about pay later. I will not talk about that today.

Chairman NUNN. Are you asking for a raise, Senator Tower?

Mr. TOWER. I leave that to the infinitely good judgment and wisdom of the Congress.

But I simply want to say that there is no conflict, because I have no interest. My allegiance is to no corporate entity. My allegiance is to the United States. Thank you.

[Mr. Tower's prepared statement follows:]

Statement of
John G. Tower
before the Committee on Armed Services
of the
United States Senate
January 25, 1989

Mr. Chairman and Members of the Committee:

It is both a professional honor and a personal pleasure to appear before this committee and so many of my old colleagues as President Bush's nominee to be Secretary of Defense.

The fundamental concerns of this Committee also have been my concerns throughout my tenure in public service. The responsibility to safeguard the security and freedom of our nation is the most important obligation shared by the President and Congress. Only through a sound national security and defense policy can the safety of this nation be truly assured.

Under the leadership of former President Reagan and then-Vice President Bush, and with the bipartisan support of Congress, we can point with pride to a renewed commitment to the national defense -- one that actually began with congressional initiatives in 1980. Our national confidence and defense capability, which had languished during the 1970's, have been restored and revitalized.

The fruits of this renewed commitment to a strong defense can be seen in many places, but nowhere more clearly than in our armed forces. Great strides have been made toward modernizing our forces; more importantly, the quality and morale of our men and women in uniform is higher than ever.

EMBARGOED UNTIL RELEASED BY THE SENATE COMMITTEE ON ARMED SERVICES

The results of our efforts can also be seen in the changes in the international environment that have occurred over the past eight years. Soviet troops are coming out of Afghanistan; Cubans are coming out of Angola. The long conflict between Iran and Iraq shows promise of an end, and the sea lanes in the Persian Gulf remain open. Today, United States forces are not engaged in active combat anywhere in the world.

In the area of arms reductions, the strategy of negotiating from strength -- criticized early on as unrealistic -- has borne unprecedented success with an agreement to eliminate an entire class of U.S. and Soviet nuclear missiles and much progress toward reducing strategic nuclear arms.

In my view, the common commitment to a revitalized defense established over the last eight years was, and remains, a prerequisite to the success of U.S. policy. Now the nation faces a new challenge: to preserve and enhance what has already been achieved in the face of ever more sophisticated threats while, at the same time, living within demanding fiscal constraints. I believe we can meet this challenge. But it will require creative and cooperative approaches by the Executive branch and the Congress. The success such a partnership can bring cannot be overestimated.

Defense Resources

A fundamental challenge to this partnership will be to build a bipartisan consensus to meet our national security requirements and commitments in the face of constrained resources. I believe this can be done, but it will require that some hard choices be made. It will require that the President and the Congress devise a common strategy and work together to put into place mechanisms which permit us to do more, for less.

The role Congress must play in this process is vital. Enhancing the predictability of the budget will be a key to achieving greater efficiencies and savings. Biennial budgeting, increased multiyear procurement, and more economic production rates are all promising areas that should be supported. I intend to work closely with you to develop those legislative tools required to stabilize the defense budgeting process.

While Congress must give us the necessary budgetary stability to achieve planning goals, the Executive branch must demonstrate leadership in putting its house in order. Within the Department, our approach to this challenge should involve two major elements. The first is the initiation of a review of our national security strategy to instill purpose and discipline into every force structure decision that is made. The second is to build upon important reforms already initiated which are designed to streamline and make more efficient defense management and acquisition.

National Security Strategy

Under the direction of President Bush, we must review and either affirm or revise our national security objectives. With this clear focus, we will better define the necessary strategy to achieve those objectives. The Department will then assess the appropriate roles and missions and the forces and weapons required to meet our objectives and carry out our strategy. Through such a thorough review, we will better establish what we seek to achieve in the 1990's.

We will review operations and organization, and the systems and technologies, in an effort to exploit enduring U.S. strengths. All elements of our forces will be subject to review. In this way we can help bring existing force structure and planned procurements into line with our national objectives and strategies.

Prioritizing weapons decisions along these lines will require that difficult choices be made. There is no room in the future of the defense budget for costly mistakes. To aid in this process, we will continue to develop promising planning concepts such as Competitive Strategies, which can be used to evaluate current defense plans and help provide a guide for maximizing the leverage gained from each taxpayer dollar spent.

Defense Management and Acquisition

The second major element of our approach within the Department will be an immediate focus on the reforms necessary in defense management, and particularly in defense acquisition. Our first steps in this area should be full implementation not just of the letter but of the spirit of the Packard Commission, building upon existing reforms made possible by the strong and able leadership of Secretary Carlucci. Our efforts will be directed at continuing to reform the acquisition process, focusing both on personnel and procedures.

At the senior level, I will recommend to the President a team of tough, aggressive and accountable decisionmakers, who will operate within a streamlined bureaucracy. At the managerial level, I intend to instill within the Pentagon the principles which guided the Packard Commission: find the right people and train them well; give them the authority as well as the responsibility to do their jobs; provide them with short and clear lines of communication and with adequate staffs; and hold them accountable for the results. We will work to make acquisition a profession in order to provide the best industrial managers for DoD.

This same high standard of accountability will extend to the private sector as well. If confirmed, my policy towards those who break their trust with the men and women of our armed forces and with the taxpayers of this nation will be a simple one: zero tolerance.

We will also continue to reform acquisition procedures to ensure efficient use of U.S. tax dollars. This requires conducting a comprehensive review of both what the Department is procuring and how goods and services are being procured. We should continue to move toward the competitive contracting style practiced in the private sector -- one based on quality and past performance, not simply price. We will make tradeoffs between cost and performance early on, and our decisions will be guided by operational testing and prototype programs that clearly define whether developing systems meet essential performance objectives. We will also continue to seek ways to buy off-the-shelf wherever possible in order to reap the benefits of past investments and current economies of scale.

In addition, we shall also draw upon private sector and Department expertise to look at ways to streamline Defense Department regulations as well as federal procurement statutes. I intend to call upon Congress to aid in the implementation of these and related reforms.

Continued Strong Defense

We must face squarely the necessity of achieving economies wherever possible. Yet our actions must be guided by one fundamental principle: our strategy must be founded on a careful, deliberate assessment of our interests and the nature and magnitude of the threat posed by our adversaries. While we strive to maximize the value of each dollar spent on defense, our defense strategy must not be determined by a complacency brought on by our foreign policy successes or by a retrenchment mentality fostered by budget constraints.

In this complex and changing world, the most solemn obligations of this nation's leadership remain: to provide for America's security; to protect its vital interests abroad; and to foster a climate of peace and stability in which freedom and democracy can flourish and prosper, free from intimidation and fear.

Fulfilling these obligations requires active engagement in the world that surrounds us. We assume this role beyond our shores because we are a great nation, representing a way of life and a system of government to which so many nations look as a model, and because it is in our national interest to do so. But we can continue in this role only as long as we remain strong.

The New Challenges Abroad

Recent policy successes have enhanced our security and provide a clear lesson in the art of the possible. However, in the area of national security and defense, we can never afford to rest on our laurels. We must remain vigilant lest the peace and prosperity we currently enjoy lead us to a dangerous complacency and misjudgment about what is required to maintain that peace. We cannot take our defense capability for granted; nor can we afford to do only simple maintenance. We need to be mindful of the fact that the challenge to our national security has not yet diminished, though it is changing -- its nature is more subtle and, in some ways, far more complex. The nation must be prepared to meet new challenges which could threaten our achievements and undermine the potential for future progress.

The Soviet Union

The changing and complex nature of the threat is apparent when we look at the Soviet Union. We are now confronted with a dynamic new Soviet leadership which acknowledges openly that past ways of doing business must be altered to prevent technological obsolescence and internal economic stagnation. This has prompted some to project major alterations in military doctrine, policies and force posture. However, while we welcome the significant internal reforms implemented and external promises made thus far, and harbor hope of genuine change that will result in more benign Soviet policies internationally, this does not alter the fact that in terms of political philosophy and offensive capability, the Soviet Union remains our greatest adversary. We welcome the first step General Secretary Gorbachev has taken in announcing the withdrawal of certain offensive troops and forces from Eastern Europe. However, we must proceed with caution because great asymmetries in NATO and Warsaw Pact capabilities will remain even after such cuts are carried out.

The U.S. must have a long-term strategy that is consistent and reliable. We must be sufficiently flexible to seize the initiative and explore positive shifts in Soviet policy that may strengthen U.S. security. But until there is concrete evidence that these shifts have occurred and, in fact, are enduring, we cannot afford to decrease our vigilance. While the rhetoric has indeed changed, the economic and production resources as well as the military forces and policies that support Soviet interests and clients, have not changed commensurately. Moreover, we must remain mindful that the policies of the current Soviet leadership can be read as having a marked strategic cast to them -- they are designed to place the Soviet Union in a more competitive position globally.

Facing this new, more sophisticated challenge, we must continue to maintain our strength -- both nuclear and conventional, including the prospects of strategic defenses -- to deter Soviet aggression anywhere in the world that our interests demand. This, along with the vitality of our alliances, is essential to meeting our global responsibilities. Our goal must remain to convince the Soviet Union that military aggression does not pay, and that a build-up of military forces beyond levels necessary for legitimate national defense will not provide them unilateral advantage.

At the same time, I strongly support complementing our collective determination to provide for our own defense with constructive dialogue with the Soviet Union. The success of the INF negotiations has demonstrated clearly that peace through strength works.

I am confident that, with similar resolve, positive results can be obtained in addressing the conventional asymmetries in Europe in the new negotiations on Conventional Armed Forces in Europe (CAFE Talks). Similarly, progress is possible in negotiations regarding strategic arms, chemical weapons, ballistic missile proliferation, and nuclear testing. However, we must not lose sight of the fact that the prospects for success in these areas will be small if we are unwilling to maintain our own strength.

Regional Threats

The changing and complex threat we face is not limited to the long-standing challenge posed by the Soviet Union. Regional low intensity conflicts continue to pose a variety of real threats to U.S. interests -- threats ranging from subversion and terrorism to the direct use of military force.

To one degree or another, continued instabilities also can be expected both close to home -- as in Central America -- and farther away -- as in the Middle East, where our deep commitment to the security of Israel, the integrity of moderate Arab states, and our strategic interests in the Persian Gulf region demand a continued role. Each potentially threatens our interests or those of our friends and allies. Regional instabilities are likely to be exacerbated in the future by the spread of new military technologies including ballistic missiles and chemical weapons. To this must be added the continuing threat of international terrorism. We must take care to have the means necessary to address these threats.

Meeting the Threat

Taken together, these challenges require not only that the United States maintain a strong defensive capability, but that our alliance relationships remain healthy and unified. These alliances are a central feature of our ability to protect our own interests throughout the globe.

NATO

Our alliance relationships also are evolving. The post-war period, as we knew it for decades, has ended. We now see a prosperous and self-confident Europe moving toward unprecedented economic integration. Our challenge in this area is to enhance the unity of NATO, proceed with the needed modernization of our conventional and nuclear forces, and ensure an equitable sharing of the burden of maintaining our common defense.

There are some who question the necessity of the enormous U. S. commitment to the defense of Western Europe, suggesting, at best, that we are altruistic--and at worst, that we are permitting ourselves to be exploited. Neither assessment is accurate. We devote a large share of our resources to NATO because its strength, cohesion, and unity are essential to the security of the United States. The repeated and unsuccessful Soviet efforts to drive a wedge between the United States and NATO during the INF deployments testify to the strength of Alliance unity. We must nurture and build upon that strength.

Nonetheless, in the near future, a constellation of factors is likely to combine to test that unity. Positive and innovative approaches are called for if we are to avoid serious stresses and strains within the Alliance. To deal with the challenges of the 1990's, the United States and its European allies must continue to review their respective roles, risks and responsibilities.

Creative policies must also be applied to NATO as we look towards European economic integration in 1992. The emergence of a true European common market will mark a major advance for freer world trade. To ensure that this evolution not be accompanied by protectionism in the defense trade, which could impair economies of scale, as well as force rationalization and standardization, we must further expand cooperative programs such as those sponsored by Senator Nunn.

In addition, we must work to ensure that Europe's economic "coming of age" also sees expanded efforts in defense, by encouraging our European partners to measure their contributions to the common defense against their great and growing economic capacity.

The Pacific Rim

United States' alliances and friendships in Asia are also a key element of this nation's continued security. The powerful economic transformation of Asia has fostered a strong interdependence with the United States, cementing long-standing security relationships in the region. Our military presence in South Korea and in the Philippines enhances regional stability which, in turn, is essential to continued economic development and democratization.

Cooperation with Japan will be crucial to our security interests in the Pacific region. While significant sentiment holds that Japan is not contributing all that it could towards our common defense, there are indicators that Japan understands and is responding to these concerns. In the past decade, Japan has increased its defense spending and its development assistance to other nations in the Pacific and beyond. We should encourage Japan to do more in this regard. I am confident this key security partnership will remain a sturdy one.

The Pacific region will surely witness rapid economic and political development in the years ahead. Maintaining the peace that permits continued development will be of prime importance.

Conclusion

I do not underestimate the difficulty of the task ahead. I can only repeat to you what President Bush so candidly told the American people about our national agenda at his inauguration, "We have more will than wallet; but will is what we need. We will make the hard choices, looking at what we have and perhaps allocating it differently, making our decisions based on honest need and prudent safety." In defense, the essential ingredient for success will be for the executive and legislative branches of government to work in concert, not competition, to ensure that America remains strong, at peace, and fiscally sound.

Chairman NUNN. Thank you very much, Senator Tower, for an excellent statement. You touched on a number of issues there that are very much on my mind, and, I am sure, on the minds of the committee.

You have already alluded to them, but let me just try to get you to digest for us what you believe to be the two or three most serious problems that the Department of Defense has faced in terms of its operation and management in the last several years, and what you would go about doing to address those problems.

Mr. TOWER. Mr. Chairman, I responded in writing to a question you addressed to me on that subject.

Without repeating that, perhaps at some point, if it is agreeable to you, I would like to place all of those questions and the answers in the record.

Chairman NUNN. We will put them in right now.

Mr. TOWER. Regardless of whether we touch on them or not——

Chairman NUNN. Without objection, we will do that.

[Mr. Tower's prepared answers to Senator Nunn's questions follow:]

Questions Submitted by Senator Sam Nunn

January 24, 1989.

Hon. Sam Nunn,
Chairman, Committee on Armed Services,
U.S. Senate, Washington, DC.

Dear Mr. Chairman: Enclosed are answers to the questions you posed in your letter of January 9, 1989.

I look forward to the opportunity to appear before your Committee.

With best personal regards, I am

Sincerely yours,

John G. Tower.

cc: Hon. John Warner.

Senator Nunn. In your view, what are the 10 most serious problems in the recent operation and management of the Department of Defense? What specific actions would you plan to take to overcome each of these problems?

Mr. Tower. The Department of Defense faces major challenges in the coming years. Defense of the territory, people, and interests of the United States is the single most important function of the Federal government under the Constitution. An effective national defense guarantees the security of the American people—the security that is essential to their enjoyment of the blessings of liberty that the Constitution secures for all Americans.

In the coming years, the Department faces the increasingly difficult challenge of strengthening and maintaining the Nation's military capabilities with the limited resources available. Meeting this challenge will require increased efficiency in every aspect of the Department's activities. It will also require careful integration of the foreign policy of the United States and the Nation's military capabilities.

The national security planning process must guide decisions concerning the Nation's defense. The Assistant to the President for National Security Affairs has focused considerable attention on improving that process. As that process moves forward, the Department of Defense will ensure the effective implementation of the defense policies of the President and the guidance of the National Security Council.

An effective national defense will require close cooperation between the executive and legislative branches in discharging their defense-related constitutional functions. As the President had repeatedly made clear, the Administration will work closely with the Senate and the House of Representatives on all issues of national significance, including critical defense issues. Together the Congress and the administration must produce sufficient and stable budgets to ensure a strong national defense.

The Department of Defense must instill an even greater sense of personal accountability for excellence throughout the defense establishment. Achieving that objective must be the primary goal of the Department's civilian leadership and military commanders.

The administration intends to appoint talented and experienced people to senior posts in the Department, give them a clear guidance, and hold them accountable for achieving successful results. We will seek better alignment of authority and responsibility within the defense structure to ensure sound management and clear accountability.

The Nation will confront tough choices in the coming years, choices with profound consequences for the national security. The Congress and the administration must face them together with openness, nonpartisanship, and our joint accumulated wisdom, to ensure defense policy decisions that serve the Nation's best interests.

Senator Nunn. Do you fully support the reforms mandated by the Goldwater-Nichols Reorganization Act of 1986 or recommended by the Packard Commission? Specifically, do you fully support all of the reforms to strengthen the role of the Chairman of the Joint Chiefs of Staff and the command and personnel authority of the Unified and Specified Commanders? What problems have been encountered in the Department of Defense in the full and timely implementation of the Goldwater-Nichols and Packard Commission reforms and what specific actions would you plan to take to overcome each of these problems?

Mr. Tower. The Department of Defense will fully and faithfully execute the laws applicable to it, including the Goldwater-Nichols Act. The efforts of the Congress and the Department to reform and strengthen the Nation's military establishment are bearing fruit.

Considerable progress has been achieved in the military organizations. Strengthened command and personnel authority for the Commanders in Chief (CINCs) of the

Unified and Specified Commands, coupled with the enhanced role of the Chairman of the Joint Chiefs of Staff, are already providing a number of important benefits. These benefits include increased responsiveness to the operational needs of the CINCs, improved CINC input into the Department's planning and decision processes, and more efficient allocation of scarce defense resources.

The Department of Defense also has made progress in strengthening its defense acquisition organization. The basic structure for a new acquisition organization is in place. The Department has revised its acquisition policies and practices to place even greater emphasis on savings and stability through purchasing at economic production rates, use of multi-year contracting, and strong management oversight of major weapons systems from conception through execution.

The Department could make great strides in efficiency and long-term program stability with the assistance of Congress on biennial budgeting and multi-year procurement. Close cooperation between Congress and the Department will be essential to effective defense management reform.

Senator NUNN. The recommendations of the Packard Commission for improving the defense acquisition process have not been effectively implemented, particularly regarding streamlining the acquisition bureaucracy and providing requisite authority to the Under Secretary of Defense for Acquisition. In your opinion, why has the Department of Defense failed to implement the acquisition reforms recommended by the Packard Commission and what specific actions would you take to effectively implement these reforms?

Specifically:

How would you plan to eliminate unnecessary layers in the acquisition bureaucracy?

What changes would you make in the division of acquisition decision authority between the Defense Acquisition Board and the Defense Resources Board?

What resource allocation authority would you vest in the Under Secretary of Defense for Acquisition?

What authority would your Under Secretary of Defense for Acquisition have relative to the Secretaries of the Military Departments and other senior service officials?

Mr. TOWER. The Under Secretary of Defense for Acquisition (USD(A)) will work closely with the Service Acquisition Executives (SAEs) to streamline the acquisition organization and provide clearer lines of communication for program managers. The Department is reorienting its activities to facilitate the streamlining. Through his dual roles as Chairman of the Defense Acquisition Board (DAB) as a key member of the Defense Resources Board (DRB), the Under Secretary provides appropriate coordination at the Under Secretary level for the activities of the boards.

The USD (A) would appear to have sufficient resource allocation authority, working in concert with the Secretary and Deputy Secretary, but the issue will receive careful management attention in the coming months to confirm that the USD (A) has the necessary authority.

The USD (A) has the authority to direct the Secretaries of the Military Departments with regard to matters for which the Under Secretary has responsibility. The USD (A) currently chairs the Defense Acquisition Board, of which the Service Acquisition Executives are members. The USD (A) works closely with the SAEs on acquisition matters. The USD (A) would appear to have appropriate authority to perform the USD (A) duties effectively, but this issue will be reviewed in coming months to ensure the effectiveness of defense acquisition.

The essence of the Packard Commission acquisition improvement program is to find the right people, train them well, give them the authority to do their jobs, give them short lines of communication and adequate staffs, and hold them accountable for results. The Department of Defense will implement this approach.

Senator NUNN. What are your assessments of the viability of the current U.S. national security strategy and its military strategy component, the quality of U.S. strategy-making, and the adequacy of attention to strategic planning at the Department of Defense? How would you plan to overcome any deficiencies that you have noted?

Mr. TOWER. The national security and military strategy of the United States is based on certain fundamental elements—deterrence, collective security, forward defense, flexible response—that have provided a strong thread of continuity to our policies in the postwar period throughout both Democratic and Republican Administrations and remain valid today. Although the United States has been forced to respond to a vast and changing array of threats over the past four decades, these basics have proved to be highly adaptable to a wide range of circumstances.

President Bush and his national security team are committed to examining the sufficiency of existing strategies and policies, in order to assess their ability to meet emerging challenges. Such an undertaking is particularly important now, as we prepare to confront an environment characterized by a very different set of opportunities and constraints.

This examination requires definition of national objectives and formulation of strategy to achieve those objectives. Then DOD must evaluate the force structure and hardware to ensure that they are tailored to the roles and missions defined by the strategy, transcending any institutional biases of the services.

Several issues will clearly shape the environment as we look toward the 1990's: the requirements to balance the budget; developments abroad which, over time, could affect the nature of the threat; the challenge of ensuring continued and enhanced alliance solidarity at the same time as we seek a more equitable distribution of the burden; the potential for an increased role for arms reduction in addressing the threat and the consequent impact on force planning; the threats against U.S. interests at less than full-scale war.

Current strategies must be assessed in light of the long-term impact each of these issues may have. We will reexamine and revalidate defense strategy and carefully tailor to that strategy the military investments which support it. Such a review will necessarily encompass an assessment of our force posture worldwide, as well as the nature of our security commitments and our ability to meet them. Each component of our military strategy must meet the test of consistency with our overall national security objectives and be of clear benefit to the U.S. national interest.

Improvements in strategy formulation and execution are underway: Presidential-level reporting to Congress on National Security Strategy; Presidential-level policy, strategy and fiscal guidance to DOD; and a strengthened role for the Chairman of the Joint Chiefs of Staff in providing military strategy advice and recommendations—including fiscally-constrained strategy—to the Secretary of Defense and to the President.

Senator NUNN. What concepts would guide the selection of members of your defense management team? Do you fully support the qualifications standards for defense political appointees proposed by Senator Warner and me in our October 28 letters to Vice President Bush and Governor Dukakis? If so, would you ensure the consistent application of these standards in the selection of nominees for defense civilian appointed positions and, if confirmed by the Senate, would you give high priority to your duty to inform the President of the qualifications needed by each defense civilian appointee, as required by section 113(f) of title 10, United States Code? Will you make a commitment to inform the President *in writing* of the required qualifications for each position, as intended by law, in advance of any decision by him on a nominee?

Mr. TOWER. The attributes outlined in the October 28, 1988 letter of Senators Nunn and Warner are among those to consider in making recommendations to the President for senior Defense positions. Those recommended must demonstrate the highest integrity, experience and personal accomplishments. They must carry out the law and the President's defense policies effectively. The Secretary of Defense's personnel recommendations to the President will be made in accordance with applicable law.

Senator NUNN. Secretary Carlucci's primary task was to bring the defense program in line with the lower budget levels dictated by the so-called "October summit agreement". Secretary Carlucci outlined several broad criteria in making this $300 billion adjustment to the Five Year Defense Plan: protect production rates for weapon systems, reduce force structure, and delay or seriously scrutinize new program starts so that they can be producted efficiently once started. President-elect Bush has indicated his desire to enter into a similar budget summit and has talked about a so-called "flexible freeze". If called upon to make significant programmatic adjustments to conform to lower resource levels, what broad criteria would you adopt in making those adjustments? Do you endorse Secretary Carlucci's criteria?

Mr. TOWER. The Administration has not yet reached a decision concerning the fiscal year 1990/1991 budget and Five Year Defense Programs. Thus, a discussion of funding additions or reductions to particular programs, projects or activities would be premature.

As a general matter, high priority must be given to attracting experienced, talented individuals to the armed forces and the civilian ranks of the Department, and retaining them. Also, special attention must be given to maintaining the readiness of our armed forces. We must give high priority to maintaining efficient acquisition, to ensure effective use of scarce taxpayers' dollars and objective prioritization of systems.

Senator NUNN. In your view, how can the Department of Defense improve its efforts to establish a genuine, bipartisan cooperative relationship with the Congress? What relationship would you seek to establish with the Congress, with specific reference to overcoming past problems? What criteria would you use in selecting key people responsible for legislative affairs? Will you commit to making the details of the Five Year Defense Plan available to the Congress for its review?

Mr. TOWER. President Bush has committed the administration to working with the Congress to forge a lasting bipartisan consensus on the key issues of our time—and national defense policy is among the most critical of those issues. The Secretary of Defense will work closely with the Congress to develop that consensus on defense policy.

Cooperation—not confrontation—will bring success in national governance. Neither the executive branch nor the legislative branch should seek to test the outer limits of its powers in relation to the other branch. Instead, they should employ their powers cooperatively, avoiding contests and raised voices, to serve the best interests of the Nation.

The staff of the Department's Office of Legislative Affairs must exhibit talent, personal integrity, and knowledge of the legislative process and the Nation's defense needs.

Defense budgetary documents will be available to the Congress in accordance with applicable law and the requirements of interbranch comity.

Senator NUNN. What role would you plan for the "Competitive Strategies" concept as an aid to defense decision-making? How and when would you plan to involve the NATO allies in the application of the "Competitive Strategies" concept?

Mr. TOWER. The "Competitive Strategies" concept seeks to apply areas of enduring United States strength against areas of enduring Soviet weakness. Using this approach in defense management and strategy will improve the Nation's ability to use its defense resources with maximum effectiveness.

In the course of departmental deliberations on Competitive Strategies in the past year, the Department has briefed representatives of many NATO defense ministries and senior NATO country military officers on Competitive Strategies. As the United States proceeds further in formulating and implementing Competitive Strategies, consultation with NATO allies will intensify.

Senator NUNN. Do you fully support the congressionally mandated reforms and reorganizations of special operations and low intensity conflict policies, programs and capabilities? What problems have been encountered in the Department of Defense in the full and timely implementation of these reforms and reorganization and what specific actions would you plan to take to overcome each of these problems? Specifically, would you take immediate action to authorize the Commander in Chief of the U.S. Special Operations Command to prepare the Program Objective Memorandum for Fiscal Years 1992-1996 for all Special Operations Forces and other forces assigned to his command?

Mr. TOWER. The Department of Defense will fully and faithfully implement applicable laws pertaining to national defense, including those concerning organization for special operations and low intensity conflict. As the spectrum of threats to U.S. interests broadens, so must the spectrum of U.S. capabilities to counter those threats. Ensuring that the United States has these capabilities requires continued high level attention.

Departmental management will give careful consideration to the recommendations of the Commander in Chief of the U.S. Special Operations Command in making resource decisions concerning special operations and low intensity conflict. A decision on which specific civilian and military officers will make recommendations and provide guidance concerning special operations forces has reportedly been made by Secretary Carlucci.

Senator NUNN. As a former Chief START Negotiator, do you believe that meaningful progress can be made in the START and Defense & Space negotiations in the absence of bipartisan agreements between the administration and Congress on the future course of ICBM modernization and SDI? If not, should the talks be held in abeyance until agreements are reached on these issues? If talks are suspended by the new administration, how long would you expect the delay to last?

Mr. TOWER. A consensus between the executive and legislative branches on ICBM modernization and the Strategic Defense Initiative is essential, quite apart from the issue of U.S.-Soviet negotiations. The administration will work closely with the Congress to build such a consensus.

While the Secretary of Defense has an advisory role on the pace and scope of negotiations with foreign countries such as the START talks and the Defense and

Space talks, he does not decide such matters and therefore a fuller response is not possible.

Senator NUNN. In your view, what is the objective of the SDI Program for the foreseeable future: to develop defenses designed to enhance the U.S. capability to maintain deterrence through the threat of a devastating nuclear retaliation, or to replace deterrence, as we have known it, with a new defense-dominant regime? If the objective is the former, do you believe the cost-effectiveness of SDI as one option for enhancing deterrence should be measured against other options for improving the survivability of U.S. retaliatory forces (e.g., deploying mobile ICBMs or increasing alert rates)?

Mr. TOWER. Ballistic missile defenses potentially could support a number of missions, such as: enhancing the U.S. capability to maintain deterrence through the threat of nuclear retaliation; increasing the uncertainty facing a potential attacker, thereby deterring an attack; and actually defending U.S. forces, territory, population or other interests from an attack.

The full potential of SDI technology has yet to be explored. The current SDI research program holds great promise for the Nation's security.

Cost-effectiveness is, of course, a factor to be considered in making all defense decisions.

Senator NUNN. Do you believe that each leg of the strategic triad must be survivable, at least in part, against a "bolt-out-of-the-blue" Soviet nuclear strike or, in light of current budgetary pressures, do you think the United States can live with an ICBM leg comprised of silo and rail deployed missiles of which virtually none could survive a Soviet attack unless they were launched on warning or launched under attack?

Mr. TOWER. The administration plans to review strategic modernization issues as an early priority. Administration judgments about adjustments in the Nation's strategic forces must await the results of that review.

The administration will seek the most cost effective means to assure security.

Senator NUNN. The Under Secretary of Defense for Acquisition, Robert Costello, testified in October 1988 that the point at which the United States would need to implement the so-called "broad" interpretation of the ABM Treaty was "way down the road." Do you agree? If so, what is your understanding of the timeframe meant by "way down the road?"

Mr. TOWER. Substantial progress has occurred in developing technologies with promising defensive applications. It appears that, given the current state of the SDI program, ABM tests of ABM systems based on "other physical principles," or components of such systems, would not be conducted before the early to mid-90s, assuming the decision were made at that time to conduct such tests.

Senator NUNN. On this (ABM) issue, the 1988 Everett Defense Science Board Report said:

"The notion of the broad interpretation of the ABM Treaty has been promulgated presumably to give the SDIO program greater flexibility to plan and carry out the testing program. In fact, it has had the opposite effect. The present testing program is in a strait-jacket. This has come about in large part because in the course of the debate on narrow vs. broad interpretations of the treaty the narrow interpretation of the treaty itself was squeezed by both opponents and proponents of SDI so that it lost all reasonableness. Whatever else is done, a way must be found to terminate this debate."

Do you agree? If so, how would you recommend that we "terminate this debate?"

Mr. TOWER. The Department of Defense is engaged in identifying the best technical program for the Strategic Defense Initiative from among various technology options. Nothing that has been done or is now planned contravenes the ABM Treaty. Further debate of the interpretation issue seems unnecessary unless and until there is a proposal at some point in the future to conduct a test which one interpretation of the treaty would permit but the other would not.

Senator NUNN. Most experts agree that, if fully implemented, the unilateral conventional arms reductions announced by General Secretary Gorbachev in his December 7 United Nations speech will significantly reduce the shortwarning attack threat posed by in-place, forward-deployed, Warsaw Pact forces. How significant is the remaining threat of a Warsaw Pact attack following a mobilization period of at least several weeks? How should NATO respond to General Secretary Gorbachev's initiative?

Mr. TOWER. The United States welcomed President Gorbachev's statement that the Soviet Union would reduce certain of its forces. The United States and its NATO allies have long sought a stable conventional balance at lower levels of arms, and implementation of President Gorbachev's statement should contribute to achievement of progress toward that objective.

The military impact of the announced reduction cannot be gauged until it becomes clear how they will be implemented. For example, remaining forces could be restructured to compensate for reduction of withdrawn forces.

Even after implementation of the announced reductions, the Warsaw Pact will have put out a 2.5 to 1 advantage in divisions, tanks and artillery. The Warsaw Pact must reduce its forces much more than has been announced before East-West military parity is achieved in Europe.

Mr. TOWER. I think there are several problems. As I said earlier, I think perhaps the budgetary constraints in a way might have a salubrious effect, because they will force more economy, more discipline, and more efficiency into the system. And I think there was a tendency when the money came a little easier to get a little loose.

I think that what we have to do is to examine all of the acquisition and managerial practices of the Department and make sure that we have the best management and the most efficient and cost-effective acquisition process possible.

I think we have to rise above inter-service rivalries. I think that we all have to wear purple suits. I have a strong historic relationship and sentimental attachment to the Navy, but I know that we must all overlook whatever service loyalties that we individually may have, and the various services have their partisans in Congress as well.

And we have to transcend inter-service rivalries. We have to transcend turf jealousies. We have to avoid being co-opted by the culture of the building.

Now, we can craft the best legislation possible to address ourselves to management and acquisition problems. We can devise a system that on paper looks perfect. But however perfect the legislation is that the Congress passes, and however zealous a Secretary might be in trying to implement good legislation and good management practices, you are not going to make the progress you need unless you change the culture inside the building.

And that gets back to what I think can be achieved with a well-integrated management team whose loyalty is to the agenda and not to any entity in the Department, not to any program, not to any service, not to any particular dogma.

Chairman NUNN. Senator Tower, you mentioned a few minutes ago the announcement of the new Deputy Secretary of Defense. We will look forward to having him before our committee in the weeks ahead.

Could you outline for us what you view as the role of the deputy, particularly vis-a-vis the service heads? What authority will he have? I would like to ask the question before the service Secretaries are appointed.

It does not have anything to do with who they are. But it has to do with how you view his role. What is his authority?

Mr. TOWER. He is the chief administrator of the Department, and the chief managerial responsibility devolves on him.

The Secretary has the ultimate managerial responsibility but also is the principal policymaker in the Department. And I believe that the duties of the Deputy Secretary, as prescribed in some detail in the Goldwater-Nichols Act, should be followed, and will be followed.

Now, I think that in management you must have some degree of flexibility. But again, I see the deputy as indeed and in fact the number two man, and as the first link in that clear line of control and authority running downward through the system. And he will have appropriate authority over the service Secretaries.

I am not prepared to spell out in intimate detail all of that right now. But I will go back to my earlier embrace of the Goldwater-Nichols bill, and the functions as they are spelled out there.

If in practice any of that seems onerous to me, or too inflexible, I will come back to you and ask for legislative relief. I will not on my own initiative and unilaterally breach those provisions.

Chairman NUNN. Thank you, Senator Tower. We are going to have a 5-minute rule. My 5 minutes have expired. That way I hope we will be able to complete one round of questioning this afternoon before 5:30.

We have three votes coming up at 5:30 on some of your colleagues-to-be in the cabinet. And so after 5:30 it will be very difficult to get us back together because the votes will take at least 30 or 45 minutes. We will start again tomorrow morning.

Mr. TOWER. Based on my experience, Mr. Chairman, it would be impossible to get the committee back together.

Chairman NUNN. Well, they may be more interested in your testimony than most. So it would be possible, but I think in discretion we will wait until tomorrow morning.

Senator Warner, we will start with you.

Senator WARNER. Thank you, Mr. Chairman. I would like to follow up on this question about the deputy, Mr. Secretary, because quite frankly I view our defense as resting on three pillars.

One is the national economy. We cannot have any stronger defense than the national economy will support. The second is the support from the Congress. And the third is support from the American people. And that is going to come under close scrutiny as the facts with respect to "Ill Wind" are spilling out here in the near future.

You recognize that because we have discussed this many times before. And that three-cornered stool is like any other stool. If one leg slips out, the thing topples.

Now, back to the question of the deputy. I wonder if I could suggest to you that concept that he is your full deputy, and alter ego, in many respects. You may have the ultimate authority, but do you see any authority that you have that he does not have, other than the ultimate authority?

Mr. TOWER. Well, I have the ultimate authority. That is something nobody else possesses.

Senator WARNER. I understand that.

Mr. TOWER. Only one person can have that.

Senator WARNER. But when you are absent, he can act in your——

Mr. TOWER. He will have such authority as is prescribed by statute, and in addition whatever authority I delegate to him.

Senator WARNER. That is correct. But I went back and reread the Goldwater-Nichols legislation, and we really did not deal with the deputy, the number two man. We dealt primarily with the procurement areas.

Mr. TOWER. Yes. The Under Secretary for Acquisition——

Senator WARNER. That is correct.

Mr. TOWER. And for policy and the service Secretaries——

Senator WARNER. But you keep referring to the Goldwater-Nichols Act as the charter for your number two. I am suggesting that charter was set forth earlier by Congress, and as I read it he is given the full spectrum of authority across the Department, certainly when you are absent to act in your stead.

Mr. TOWER. That is true, yes.

Senator WARNER. And that is the manner in which, I presume, that you will deal with——

Mr. TOWER. That is right. As a matter of fact, when I have to be out of the country for NATO ministerials or something of that sort, he would be in effect the Acting Secretary of Defense on the ground.

Senator WARNER. Because if it is to be Mr. Atwood, he does bring with him certain credentials and experience which, I think you acknowledge, you have not had——

Mr. TOWER. I do not have.

Senator WARNER. And therefore——

Mr. TOWER. I have no corporate managerial experience.

Senator WARNER. Correct. And as such, he will be able to help you in this area of procurement, which is the particular concern of our public——

Mr. TOWER. Yes, and if I may take that a step further, Senator, also the Under Secretary for Acquisition, and there has to be of course a very close relationship between, I think, the deputy and the Under Secretary for Acquisition in this managerial process.

Senator WARNER. Turning now to the broader issue of our national strategy. You touched on it.

I have believed for some time that we need to devote more effort to providing a readily understandable national strategy—one that the individual in the street can appreciate.

We have dealt with it through the years up here. I think each of us have a comprehension of it. The President produced and sent up last year and the year before these documents in response to Goldwater-Nichols, and I anticipate that you will be working with the Secretary of State and the National Security Advisor to produce the third version.

But it would be my hope that it is written in such a way that it is readily understandable by the American public, to give the strength in that third leg of the stool to our defense budget and the missions that you are going to undertake.

Mr. TOWER. Well, I think it should be presented in terms that are understandable to the public.

National defense and foreign policy are actually fairly arcane subjects, and not easily understood or easily grasped by everyone, even by well-educated people. And I think it is incumbent on the administration and on the Congress to try to articulate national objectives and national strategy in such a way that the average citizen does understand and does comprehend what we are doing.

That is, after all, essential to molding the popular support necessary to be able to maintain an adequate national security policy.

Senator WARNER. That is precisely the point I make, and I hope that as you prepare the third version of this document describing our national security strategy, it will be written in that manner.

You mentioned roles and missions. There is no more hallowed ground in the Department of Defense than the three services and their roles and missions.

In our private discussions, and on one occasion when we were in a public forum here before the Center for Strategic and International Studies, you, I think with a great measure of courage, said you were prepared not only to examine their role and missions but to change the balance if necessary in force structure and the dollars going to the different services to comport to the roles and the missions that they should have under whatever budget is established by the President and the Congress. And are you prepared to do that?

Mr. TOWER. Yes, sir, I am. As I say, we have to look at everything in terms of roles and missions, not in terms of what the Navy thinks it needs or the Army thinks it needs or the Air Force thinks it needs, or the Marine Corps. We have to look at the overall picture.

When I became chairman of this committee I began sort of a restructuring of subcommittees along roles and missions lines, which I note that you and Senator Nunn have even further refined and improved on.

But that was my original thrust in those days to try to get us to focus more on roles and missions, and less on what we conceive to be individual service requirements as they saw them.

Senator WARNER. This is my last question, Mr. Chairman. Senator Tower, you alluded to the cold war. If I heard you correctly, it is your judgment that the cold war, considering that term as it has been popularly used for many years, still exists in many forms.

Mr. TOWER. Yes, sir. Yes, sir, it does. There is a thawing of the relationship.

You know, we can get into semantics about whether to call it a cold war now or not. But the fact is, and this is what I want to get up front is, the threat still exists.

And on the Soviets—you risk your own safety if you fail to gauge Soviet intentions against, by Soviet capabilities. When they maintain a military force much greater than is required to defend the homeland, and with a substantial force projection capability, then you have to be prepared to meet the threat that poses.

Senator WARNER. My time is up, but the second part of that question is, in your judgment, such actions as Gorbachev has taken to date have not put down a mark yet that should cause us to respond with any major cuts in our defense budget.

Mr. TOWER. We should do nothing unilaterally. The Soviets have announced certain unilateral moves in terms of conventional troop reduction in Europe. They will still outnumber us 2½ to 1.

Senator NUNN. Thank you, Senator Warner. Senator Exon, I am going to try to ask everyone to stick to the 5-minute rule. When the young lady tells you your 5 minutes are up you can complete your question and we will take the answer.

If we do that we will be able to take one round of questioning. If we go much over that we will not be able to complete one round this afternoon. Senator Exon.

Senator Exon. Thank you, Mr. Chairman. Senator Tower, there are few who have a better understanding of the nuclear weapons complex, the need for tritium needs and how that affects our nuclear deterrent than yourself.

How serious do you take what I have described as a crisis facing the Energy Department's nuclear weapons facilities and our nuclear deterrent? And what role would you foresee for yourself as Secretary of Defense as far as giving counsel and advice to the President and the Secretary of Energy as to what we should do in this whole area including environmental clean up, and getting back to a tritium production facility?

Mr. Tower. Let me simply say, Senator, that I think it is a matter of urgency, that we must move as quickly as possible to repair this problem.

I have not the expertise to be able to say here what should be done. I am not at this point certain what the Department of Defense's responsibilities are in this connection, since this does come under the authority of the Department of Energy.

But I can assure you of my complete cooperation with the administration, generally speaking, and with the Department of Energy in particular, to help resolve this problem. Obviously the environmental considerations are foremost, but the national security considerations are certainly of far more than casual interest to me.

And I am glad to note the appointment of Admiral Jim Watkins as the Secretary of Energy, having worked with him in his capacity as Chief of Naval Operations. I regard him as a personal friend, and I expect a very, very good and close working relationship with him, and pledge the cooperation of my Department and the resolution of this problem.

Senator Exon. Senator Tower, one of the first decisions that the new administration must make is the question of ICBM modernization, that is the rail garrison MX vis-a-vis the Midgetman and/or both.

You are going to have to come to grips with that. I hope you will not punt, as we have been doing for far too long in this area. I know you do not have a firm position on this yet because this administration has not decided.

Can you give us what your thoughts are on this if you had to make a decision now?

Mr. Tower. Well, fortunately, I do not have to make a decision now, Senator——

Senator Exon. I am asking you to speculate.

Mr. Tower. But I would prefer not to speculate. I cannot get out ahead of the President and of the National Security Advisor on a matter of national policy. And that decision will be the result of a collective decisionmaking process.

As you are probably aware, I have been a partisan of the MX in the past. But I also was one of the godfathers of Midgetman. As a matter of fact, Scoop Jackson and I and our respective staffs virtually drew up the specs for Midgetman several years ago when it was first conceived of.

And I might say this, that I am not rooted in cement on anything. I believe that we have to embark upon and continue our strategic modernization program. I am not prepared to say at this moment whether we should go to rail garrison MX or go to full 500 Midgetman or perhaps a mix of MX and Midgetman.

But this is a matter that will get very early attention and a matter that will be resolved fairly early on. Let me say from the standpoint of our negotiating position with the Soviets that I am glad we still have both of the options available to us. From that standpoint, I think it is important to our negotiating position with the Soviets.

Senator EXON. My time is up. I just would simply say that I, of course, tend to agree with you. It would be nice to have all of these things in a negotiating position.

The problem is, we are not going to be able to afford that, and what you and I and Scoop Jackson did in the past, Senator Tower, is coming now home to haunt us with the fact that we do not have the money to continue all these programs.

We will work together on it. Thank you for the opinions that you have now, and I think as you will be filing those down to a finer decision hopefully in the near future. Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator Exon. Senator Cohen.

Senator COHEN. Thank you, Mr. Chairman. Senator Tower, it has been suggested that we reevaluate the whole notion of burden-sharing.

I think that is a very proper suggestion on the part of Senator Carl Levin. But I also would hope that we would keep in mind the need to strike a balance between urging Japan and others to bear a greater defense burden and building a military infrastructure that will provide a formidable breakout capability on the part of that country. I think we ought to be very cautious about that.

Second, the measures that are taken by the West are not easily reversed. We will not easily put Pershings or ground-launched cruise missiles back on European soil, even if the threat should dictate that that would be a prudent course to choose.

When we remove troops from Europe, as I expect that we will at some future time, they will not be easily reintroduced in the event that that should become necessary. So the cuts in troops and tanks proposed by Mr. Gorbachev are significant. But what remains are doubly so.

And I think we have to remind ourselves that Lenin's portrait is the only one of the past Soviet leaders that still remains in the Kremlin, and we have to consider what it would be like to have Mr. Ligachev in control of the Kremlin in the foreseeable future, and whether that would alter our force posture.

You spoke about not luxuriating in an illusion, and I want to echo that particular admonition. I think that we have luxuriated in the notion that we can compensate for our numerical deficiencies with technological superiority.

And I want to say here at this hearing that time and time again we have been stunned by Soviet technological breakthroughs in a variety of areas. And I want to say that the notion that our technology can offset the numerical superiority of the Warsaw Pact is completely unfounded in my judgment.

So as we proceed to negotiate conventional reductions, as I believe we have to do, we should not overstate our technical capabilities nor underestimate those of the Soviet Union.

I would like to turn, for a moment, because time is brief the first time around, and just quote something to you to get your opinion of this statement:

> Ever since the 1980 campaign, the world has stood by in bewilderment while the administration has, in a seemingly random pattern, requested funding for both survivable and non-survivable ICBM deployments, while at the same time proposing arms control bans on the survivable ones.
>
> In the latest installment of this saga the administration proposed to the Soviets to limit mobiles to small areas. What this would do is to allow arms control to make vulnerable to surprise attack both the small mobile ICBM and the administration's current favorite ICBM mode—the MX missile placed on railroad trains that are parked during peacetime in a few garrisons (essentially roundhouses). All in the name of verifiability.

And in conclusion the authors state:

> By moving a major share of the U.S. strategic forces toward being launched on warning, the Reagan administration's confusion about survivability is consequently moving the world toward greater risk and instability. This is not the purpose of either strategic modernization or arms control.

Would you agree with that statement?

Mr. TOWER. Not entirely.

Senator COHEN. Tell us how you disagree with it. Before I proceed, I should tell you that one of the authors is Brent Scowcroft. That is an article that appeared last June 14 in The Washington Post, by Brent Scowcroft, John Deutsch, and Jim Woolsey.

Mr. TOWER. No, I recognize it. And Brent and I have a very close working relationship, and we have differing views on some things.

But I can assure you that those views will always be resolved within four walls, and there will never be any public indication of them. And I respect and admire Brent Scowcroft very much, and I respect his judgment. And I think he has got one of the best minds in this town on this area. But, you know, we all come to the table from somewhat varying backgrounds and different perspectives.

But as far as the proposal that is on the table to ban mobiles, that in my view does not mean that we should not proceed to develop a mobile capability of our own, whether it be rail garrison or whether it be road mobile.

Without trying to resolve that argument, I think that we should move toward a modern system, that is survivable.

Now, I think there are two intellectual schools of thought, and there are very, very bright people who are philosophically disposed the same way who might disagree on the premises on which you base your further modernization of the ICBM force.

That is to say, you can find hawks that are partisans of Midgetman and hawks that are partisan of rail mobile MX. So it does not have anything to do with political philosophy, but with one's theology of deterrence, so to speak.

Now, the question is, do we have to proceed on the premise that everything has to survive or that we must have a favorable, or be able to maintain a favorable force exchange ratio with the Soviets after a bolt out of the blue. There are many who think that that is a very unlikely scenario, and that we should not be imprisoned by that.

I do not think that we should articulate this strategy. We should not say that we are going to launch on warning. We should not say we are going to launch under attack. We should not say that we are going to ride out a first strike.

We should not say these things. We should prepare a deterrent capability that any range of credible scenarios will enable us to prevent the Soviets from ever thinking the unthinkable. And that is that they can launch an attack against the United States with acceptable risk and damage to themselves.

Senator COHEN. My time is up, Mr. Chairman.

Chairman NUNN. Thank you, Senator Cohen. Senator Levin.

Senator LEVIN. Thank you, Mr. Chairman. The fact is that some of our allies are surging ahead of us economically while we are providing a disproportionate share of the mutual defense.

It is something which is deeply troubling to me, and to our people. We want to be secure. We are in Europe and Asia, obviously for our own security, not just for our allies. There is a mutual security involved.

But there has been a disproportionate burden that our taxpayers have carried over the years, and recent Pentagon reports have acknowledged some of those disproportions.

In order to help reduce the excessive burden that our taxpayers have shouldered for that mutual defense, are you willing to work with the Congress to find ways to fairly apportion that burden, to try to shift some of that burden where it is consistent with our own security? Will you include as part of your review of force structure the question of whether or not there are places where our troops are located abroad where over time and in a coordinated way we can reduce some of that presence, again consistent with our own security?

Will you work with Congress in seeking to find those places where that is do-able?

Mr. TOWER. Senator, as I said earlier, in our review nothing will be sacred. We have to look at force structure, hardware, and deployments.

And I think I would agree with you—I do not think, I know that I agree with you, that we should look at these deployments globally, to see if indeed we can with safety, consistent with our need to defend our national interests, make some reductions.

I think, though, at the same time we have to consider the political implications of what we do, because the American presence has not only a military significance, it has a political significance.

The presence of American military may itself be a deterrent to adventurers, be it a major power or be it a small power. So I have to think that we have to be enlightened in the way that we do it. I agree that the allies should share a larger portion of the budget.

Now, I think you could look at that—I do not think that you should always just take European NATO and say, European NATO has to do more, because I think there are varying degrees of disproportionate burdensharing, even between and among the European continental allies.

I think as far as the Japanese are concerned, they should and must take a greater responsibility for the defense of the Pacific rim. I happen to have been a part of the occupation of Japan in

1945, when we did what I thought at the time was a good idea, and that was inflict on the Japanese a constitution that severely restrained them from building a substantial military force.

Now, in retrospect, it was a lousy idea, because the Japanese are now our friends, they are our allies. The fact is I do not believe, however, that that constitution is so constraining that they could not devote a substantially larger percentage of their gross national product to defense. And I think that we should use every reasonable means available to us to try to increase that contribution.

Looking at our European allies, what we have to remember is that the North Atlantic Treaty Organization is a voluntary association of sovereign nations, of democracies. And we cannot influence the internal politics of these countries.

And the degree of their contributions to their own defense is a matter of domestic politics. It varies from country to country. So that puts us at something of a disadvantage when confronted by the Warsaw Pact, which is not an alliance, it is a hegemony, in which the Soviets can dictate what portion of their gross domestic product will be dedicated to defense.

I would further say, in response to your question, Senator——

Senator LEVIN. I am going to run out of time here——

Mr. TOWER. Okay.

Senator LEVIN. Senator Tower, in prior years in support of increases for defense, in spite of large budget deficits, you said that we must spend whatever we need to on our defense, regardless of the domestic fiscal situation.

Today your testimony is somewhat different from that, saying that we must live and operate within fiscal constraints. I am wondering whether you could explain your change in your thought processes on that. There has been a clear shift——

Mr. TOWER. I am not sure my thought processes have changed, Senator. As I said earlier, I am a realist.

Senator LEVIN. You were a realist——

Mr. TOWER. It is necessary——

Senator LEVIN. You were a realist in 1973, I think, too——

Mr. TOWER. 1973? Well, times have changed——

Senator LEVIN. In 1983, I think you were a realist when you——

Mr. TOWER. Right.

Senator LEVIN [continuing]. Said that we should not allow economic conditions at home to dictate defense.

Mr. TOWER. Well, let me state it this way. And that is, I believe that you must size your defense establishment to requirements that are driven by an external threat. And that is something over which we have very limited control, virtually no control.

If you continue simply to base your dedication of defense resources on perceptions of affordability—and ignore the threat—then I think we do so at our peril, if I can state it in perhaps a little bit more sophisticated way than I did at the time.

But I think ultimately the security of the American people is the most important thing a government can do for them. I continue to believe that.

Now, to do this you have to have popular support. And we are in the realistic position of having lost popular support for spending—

for the high spending levels we have had on defense. And public confidence has to be restored.

And I think, and I will say again, that in a way this may have a salubrious effect on it, if we can achieve our objectives without cutting into muscle, the salubrious effect of forcing us to be more efficient, more cost-effective, doing such things as purchasing off-the-shelf items instead of divising military specs on certain fairly commonplace items that drive up the cost of them, when they would be available to us much more cheaply if we got them off the shelf. I think there are a lot of these things that we can do.

Senator LEVIN. Thank you, Senator. My time is up. Senator Thurmond, I think you are next.

Senator THURMOND. Thank you very much, Mr. Chairman. Senator Tower, our allies' per capita expenditures for defense has come into question today, I believe.

Personnel costs are a large part of our budget, because we do not have a draft and most of our allies do. Would you outline what this means in terms of defense expenditures?

Mr. TOWER. Well, of the allied defense dollar, or a defense marc or defense pound or defense franc, more of theirs goes into investment, because they do not pay as much for people as we do.

And the only one of our allies who does not have conscription is the British, and they also have a higher percentage of budget and GNP in contribution to defense than the other continental allies do.

But manpower costs are a large element in our expenditure. So a higher percentage of the European defense dollar does go into so-called investment, that is research and development, hardware, that sort of thing. And of course, with the Soviet Union, it is true in even much greater magnitude.

Senator THURMOND. Senator Tower, ICBM modernization has been the subject of continuous debate in the Congress. The MX and Small ICBM both have their supporters and opponents.

The administration must make a decision soon on the future of the ICBM program. Given the cost of the manned bomber program we are facing in B–2 and B–1, can the United States afford two land-based ICBM programs?

Mr. TOWER. Senator, let me refer back to a response to a previous question in which I address this issue of the selection between, say, rail garrison mobile MX or road mobile Midgetman, or a mix.

I think we must view this not just in terms of financial constraints but what provides us with the most credible deterrent capability. Financial constraints are a factor, but not necessarily the driving factor. Because to me nothing is more important than strategic deterrence. Again, the ultimate objective must be to prevent the Soviets from ever thinking the unthinkable.

Senator THURMOND. Thank you. Now, do you want to answer the second question, or do you want me to repeat that?

Mr. TOWER. Oh, what was the second part of your question?

Senator THURMOND. The MX and the Small ICBM, I am wondering if you have given thought to that and feel that we can have both of them and also go forward with the B–2 and the B–1 bomber.

Mr. Tower. Well, as I was saying, Senator, we have yet to make a final decision on that. As I say, we could conceivably come up with a mix of the two within reasonable fiscal constraints.

Senator Thurmond. Now, the Reagan administration announced a plan last year to build a new production reactor at the Savannah River Plant using current technology, and also a high temperature gas-cooled reactor in Idaho, more as a backup.

The only place producing tritium in the United States is at the Savannah River Plant. Would you express yourself as to the importance of producing tritium and the necessity of going forward with this new production reactor?

The old reactors are tired and worn, and the quicker I think we get the new one the better.

Mr. Tower. It is essential to us to maintain our nuclear capability.

This is a national security problem, and therefore it is a matter of some urgency in my view, until that happy day when we achieve a non-nuclear world. And do not hold your breath, I do not think it is ever going to happen.

Senator Thurmond. Senator Tower, the B-2, or Stealth bomber, is a very costly program.

We are approaching a unit cost comparable to the cost of some of our naval service combatants. In your opinion, is the manned bomber contribution to strategic deterrence sufficient to justify the high cost of the B-2 program? Or do you wish to look into this matter further?

Mr. Tower. Well, of course I wish to look into it further, Senator, because that is a decision that is going to have to be made as to whether to proceed with the full-scale production of the B-2.

But let me answer it in a general way, and ultimately I am going to—I know this is the last time I can come before the committee and say I cannot give you an answer now. The next time I come here I am going to have to give you the answers.

So I hope I do not appear to be taking advantage of you, because I know full well I am going to get it right between the eyeballs the next time I am here.

But, again, that is a matter that will have to be studied. I happen to believe in maintaining a strong triad and the most modern legs of each element of the triad as possible.

And I think that even in an arms control environment, if we achieve even deep reductions in nuclear weapons, our residual force is going to have to be made up of the most modern, most capable weapons that we can possess.

And I think that we have to have a credible retaliatory capability, and that is what bombers are all about. They are a major aspect of our capability to retaliate. And our bombers have to confront enormous sophisticated Soviet air defenses.

To me there is good rationale for the B-2, because it gives us the stand-off high-low mix—the B-52, the B-1, and the B-2—that we should have, and it complicates matters enormously for Soviet defense planners, and forces an even greater dedication of their resources to air defense.

We have to continue to challenge that. And I think that by our possession of that kind of technology, and our willingness to incorporate it in a weapons system and deploy it, we perhaps put ourselves in a stronger position to ultimately negotiate restraints, reductions on nuclear arms.

Senator THURMOND. Thank you. My time is up.

Chairman NUNN. Thank you, Senator Thurmond. Senator Bingaman.

Senator BINGAMAN. Thank you, Mr. Chairman. Senator Tower, last week the General Dynamics Corporation signed a licensing agreement where it essentially became a subcontractor to Mitsubishi, to engage in co-development of the new aircraft fighter, FSX, and in doing so to transfer to the Japanese the technology that we have in the F-16.

Are you familiar with this case?

Mr. TOWER. Senator, you and I discussed this yesterday, and I must admit that my first enlightenment on this subject was my discussion with you yesterday.

But it is a matter of more than passing importance, in my view, and one that I promise you I will give my attention to, from the standpoint of what the national security implications of it are.

As a resident of a State, and indeed a city, that is in the high-tech business, I am concerned about technology transfer, perhaps in the defense field that might have commercial applications that result in intensified competition with my home town.

So I have rather broad and over-arching concern about this. I do thank you for bringing it to my attention. I am sorry that I cannot give you an enlightened answer on it right now. But it is a matter that, based on my conversation with you, I would tend to have some apprehensions about it.

Senator BINGAMAN. I appreciate that response. Let me just mention the specific way in which I think you could play a very constructive role here.

I think the Secretary of State, under the statute, is required to notify the Congress of this sale, with a formal notification, and then there is a waiting period of 30 days before it could go forward.

If possible, I think it would be very constructive if you could get in and be fully briefed on the matter before that notification comes to the Congress. It would give additional time for this matter to be reviewed so that we would not find ourselves wishing some action had been taken when it is too late to do so.

Mr. TOWER. It could be that this was a decision that was driven more by national security considerations, enhancing the defense capability of the Japanese, than considering the commercial consequences of what we do. But I will look into it.

Senator BINGAMAN. I would appreciate it if you would look into that.

In your role in the arms control field (this might relate to your background there) the problem of controlling the proliferation of missile technology in the Third World is a problem that we have tried to address through the missile technology control regime, which is in place.

I have been concerned that there may be instances where the Department of Defense and the administration have not demonstrated sufficient willingness to impose sanctions on companies that operate in some of our allied countries, that are found to violate that regime.

Is that an area that you are familiar with and one that you are concerned about?

Mr. TOWER. It is an area that I am concerned about and I intend to get much more familiar with.

Senator BINGAMAN. That is another area that I would commend to your attention, because I think that there is a potential serious problem there——

Mr. TOWER. I certainly agree, Senator. And it is an area that requires early and careful attention.

Senator BINGAMAN. Let me ask about the acquisition process. There has been a great deal of concern, both in Congress and in the general public, and I know that you have shared it, about some of the things that have come to light with regard to weapons acquisition, and the process.

What initiatives do you foresee being able to take as the Secretary of Defense to improve that system? Is there something significant still to be done on it? And if so, do you think there is a need for additional significant legislative activity? Or is this something that can be done administatively if the will is there?

Mr. TOWER. Obviously there is a great deal that can and needs to be done. I cannot say at the moment just what steps I would take administratively to try to improve the process. I mean, I cannot spell them out in detail.

As I noted in my general remarks, this is a top priority in trying to bring more efficiency, more cost effectiveness, into the process. Whatever I can do through managerial initiatives I would do.

If indeed, as some studies have indicated, that some statutorily mandated procedures add to the cost of acquisition, then I would come back to you and ask for relief.

Senator BINGAMAN. My time is up. Thank you very much.

Chairman NUNN. Thank you, Senator Bingaman. Senator Gorton, under the earlybird rule you are next.

Senator GORTON. Senator Tower, would you express your general views, the advisability, the necessity, even the desirability, of a change in the mix between the number of men and women in the Active service and the Reserves as we look toward a time of constrained budget.

Are you going to look seriously at the proposition that there might be a fairly striking reduction in the number of our Active divisions or ships or airwings and a transfer of a number of those to the Reserve forces?

Mr. TOWER. Senator, you may have said the magic word. And that is, if we begin to look at force structure, and see reductions in terms of day-to-day requirements for Active duty personnel, and identify, for example, what really is only required is surge capability, or when the balloon goes up, are we getting to warfighting posture, that we would need only then, then I think we could look at what might be put on Reserve status.

Now, I do not want to get too far into that, because as you probably know it is going to be enormously controversial, once we start looking at this with an eye to perhaps putting Army units, or Navy units or Air Force squadrons or anything of that sort on Reserve status. But it is something we have to look at.

And of course, already a lot of our wartime support capability is lodged in the Reserves. And it would be simply following that total force concept, and that which we could safely place on Reserve status, or give over as responsibility to Reserves, we will do.

Senator GORTON. Do you have any comments or views on the general nature of preparedness of our Reserve forces at the present time?

Mr. TOWER. I think the preparedness has improved enormously over the past few years.

And if I could pat all the members on the committee on the back, including myself because I was chairman back then, a lot of that has been the result of congressional initiatives that have been taken to improve the equippage and the training of the Guard and Reserve.

I think they are much better now than they were 8 years ago. And a lot of that has come as a result of congressional initiatives. Most of it has.

Senator GORTON. When we start hearing about congressional add-ons from over across the river remember when you were here and said that.

Mr. TOWER. They have been fine for the last 8 years, Mr. Chairman, but I would like to look at them more closely for the foreseeable future.

Senator GORTON. Senator Tower, during the course of 1988, while neither you nor I were here, major debate involved just what functions and what role the armed services could play in the interdiction of drugs offshore of the United States.

A compromise was reached at one point or another during the course of the last session of Congress. I would like your general views on that subject. Does the military have a role to play in the interdiction of drugs? Is the law as it was passed in 1988 in that connection satisfactory? And what would you recommend that the Congress do, if anything. In addition?

Mr. TOWER. I think military assets can be used, and should be used, to eliminate what the President has called this scourge on our society.

I am not enlightened enough at this point to comment much on the efficacy of the legislation that was passed in 1988, and really on how efficiently we are making use, or how cost-effectively we are making use of military assets in the interdiction program.

I think that we should use military assets. I think we should try to use them efficiently and effectively. And I think experience only can tell us whether or not we are doing that.

And if it turns out to be something that is terribly costly and not terribly effective, then we should probably look for alternatives. But we should make sure that we are doing everything that we can to make sure that the utility of military assets and resources are being used in an effective way. And I think certainly it can be in terms of air and sea intercept.

Senator GORTON. Earlier, during your questioning, you spoke, I think both eloquently and wisely, about some of the problems which we as a country face in connection with what now goes under the title of burdensharing. You noted that in almost every case, we are dealing not only with sovereign entities which are our allies but with democracies.

Nevertheless, there are some of our NATO and Asian allies, which have not reached even the level that Western Europe has in providing, at least for the infrastructure for our forces—Spain, Greece, the Philippines, for example.

This country seems to be held up by them in continuous negotiations over base rights, bases which, it would be my observation, provide for the security of those countries as well as for the United States.

When, if ever, should we reach the point at which we simply decide that if they do not regard those facilities as contributing enough to their security to invite us to remain and contribute to our efforts, that we should, very courteously and very graciously, decide to go somewhere else?

Mr. TOWER. It would be, of course, very speculative for me to try to define what the threshold might be. I cannot say, I think we have to look at each situation on an ad hoc basis.

The degree of our interest in being there, for one thing, the essential nature of the real estate of that particular country, to our maintaining an adequate defense perimeter. We have to bear in mind the fact that we are not in these countries for altruistic reasons.

As the British ambassador to NATO once said to me, "do not tell me you Americans are here just to defend the blue-eyed Europeans."

The fact is we are there because it is in our national interest to be there, because it is incumbent on any nation when confronted by a powerful adversary to maintain its defense perimeter as far from its own shores as possible, and as close to that potential adversary as possible. And that is what we are doing. Because the defense of the United States is bound up in the broader context to the defense of the West.

At what point do we reach zero tolerance for this? I cannot say, because in some instances political climates change, and become less favorable to the United States, and sometimes in that context we are negotiating with them.

Do we not want to be careful not to do anything that we might be sorry for once the political climate changes more in our favor, and that is the problem of dealing with democracies. If you are dealing with authoritarian systems they are far more predictable.

Chairman NUNN. Thank you, Senator Gorton. Senator Shelby.

Senator SHELBY. Thank you, Mr. Chairman. Senator Tower, I have a couple of questions.

The first deals with Europe. The committee has held numerous hearings on the conventional imbalance in Europe. Do you believe it is a real imbalance, one? Second, how should we deal with it? By arms reduction, modernization of weapons, or both?

Mr. TOWER. Arms reduction is a hope, Senator, it is not a reality. In the meantime we have to do what is necessary to maintain the strongest, most modern force possible, consistent with the threat.

There are things that we perhaps can do, there are some innovative ideas such as the concept of competitive strategies in which we use our resources, those that we possess now or those systems that are in the pipeline, to exploit Soviet weaknesses with our strengths.

In any circumstance, we must maintain whatever technological edge that we can, because we are never going to beat the Soviets in the numbers game. We are never going to reach those levels of manpower, those numbers of tanks, those numbers of artillery tubes. And so we must be clever by half.

And one thing that the President is interested in, one concept, is this concept of competitive strategies. And I think it is one well worth our scrutiny. I think it is one that certain members of this committee probably have some interest in.

So, we are going to look at anything like that, that gives us perhaps the best—you know Erwin Rommel was highly successful up to a point because he had the ability to concentrate superior force out of inferior resources, and we have to try to do that in terms of choosing the conditions under which the war will be fought if, indeed, one is ever fought. Pray God it never is.

Senator SHELBY. Senator Tower, you would basically agree with the statement that we should as the United States of America, we should never depend on a foreign source, either through arms negotiations or at their whim, for our national security.

Mr. TOWER. We are responsible for our own national security even in the presence of arms control agreements. Whatever residual force we are permitted to maintain as a result of such agreements must be the most modern possible. The Soviets have us outnumbered. They beat us at the numbers game except in terms of capital ships.

We cannot let them get a significant technological edge over us so that we are inferior both in numbers and technology.

Senator SHELBY. Do you believe that the conventional imbalance in Europe that we talk about should be one of the priorities that you would want to deal with as the Secretary of Defense?

Mr. TOWER. Well, I want us to have the greatest capability possible. As far as the convention asymmetries, those will be dealt with in diplomatic negotiations which will be on a multilateral basis. And sort of the preamble of that begins with the CAFE talks in Vienna in March.

That is an unfortunate acronym. It stands for Conventional Armed Forces in Europe. You talk about CAFE talks in Vienna, and somebody thinks in terms of a very pleasant social event. This is not likely to be that, and that, of course, is a matter of national policy, and I am a part of the policy-making process.

But, I cannot get out in front of the Secretary of State and the President and National Security Advisor on these issues.

Senator SHELBY. Senator, what role would you play as Secretary of Defense in the area of making policy in the Pentagon regarding the restoration of integrity to the procurement process?

Mr. TOWER. Well, I think we have to have zero tolerance for anybody that unlawfully or unethically passes information or accepts bribes or engages in any form of illicit or illegal activity.

As far as I am concerned, there will be zero tolerance, and I am simply reflecting an attitude of the President. He says offenders will be punished.

Senator SHELBY. Will that also be your attitude? You say it is the President's?

Mr. TOWER. It is.

Senator SHELBY. And will that be one of your highest priorities—to restore integrity?

Mr. TOWER. It certainly is. And at some point either Senator Levin or I will introduce into the record some responses to questions that he posed on this very subject which are fairly comprehensive, so I will make that part of the record.

Senator SHELBY. Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator Shelby.

Senator Wallop.

Senator WALLOP. Thank you, Mr. Chairman.

John, let me begin by complimenting you on your extemporaneous remarks in lieu of your prepared statement. I felt that was a splendid recitation of defense requirements and thoughts surrounding the purpose for which we organize the national defense in the first place.

Speaking of which, there is a recent report issued by the Department of Defense that stated that the Soviet Union is attempting to achieve a dominant position in space with the aim of being able to win any future conflict from space. Would you comment on your view of this and what the Congress ought to be looking at and how the administration plans to address it.

Mr. TOWER. Well, I was always somewhat irritated that there was a great deal of criticism in this country by the mass media of SDI without anyone ever bringing to the public's attention the fact—and it is information that is not intelligence-sensitive or anything like that—that the Soviet in terms of particle beam accelerators, chemical lasers, and nuclear X-ray technology are ahead of us.

The only aspect of space systems, if I could use that term so I do not get into any scare words, in which they are behind us is in computers. If they ever get the computer technology to put all of that together in battle management, to manage it, I think we are going to be in trouble.

Senator WALLOP. In part I guess I am addressing the question of ASAT as well.

Mr. TOWER. ASAT I think we must have. They have a deployable system.

Senator WALLOP. And they have, in fact, undergone command and control exercises.

Mr. TOWER. They have a deployed system.

Senator WALLOP. One of the better anecdotes from the SALT II era was your discussion in Geneva with, you may recall, the Soviet Academician, Shchukin, in the aftermath of President Carter's unilateral cancellation of the B-1 bomber, and you asked him what the Soviet Union expected to do in return, to which his reply was that the Soviets are neither pacifists nor philanthropists.

Mr. TOWER. He said to me, "Senator, I am neither a pacifist nor a philanthropist." That was his answer.

Senator WALLOP. In light of recent offerings, how would you characterize Mr. Gorbachev?

Mr. TOWER. Well, I am not prepared to characterize Mr. Gorbachev yet. I am prepared to withhold judgment.

I think we have to applaud the steps that he has taken, if he really means it, and he has done, I suppose, some pretty gutsy things, considering the internal opposition that he has in his own country.

But I think we must think of the outcome if it is successful of the Gorbachev reforms. We have to think in terms of they could be favorable to the United States because the result is a more benign Soviet Union, or it could result in a more ominous new threat to the United States. I think we have to be prepared for either eventuality.

Senator WALLOP. In light of that, I had been going to ask you what the role of arms control in U.S. national security strategy was, but I think a better way of phrasing that question is what is the role of U.S. national security in arms control strategy.

I have witnessed times when the arms control strategy seemed to be predominant and the U.S. national security seemed pretty quiescent as a concept.

Mr. TOWER. Arms control must never be regarded as an end unto itself. Arms control, arms reduction can only be regarded as an element of national security policy, and the test of any arms control agreement must be—does it enhance the security of the United States and its allies. That must be the test and if it does not, then the agreement is not worth it for us.

Senator WALLOP. In that light, Senator, let me tip my hat to the administration for its willingness to go slow to reappraise the circumstances as they exist on the ground when they take office and not just follow thoughtlessly whatever may have been done by the prior administration.

You will find me wholly supportive of the concept that reappraises the strategy and purpose and ultimate aims of arms control in this administration.

My 5 minutes are up, Mr. Chairman.

Chairman NUNN. Thank you, Senator Wallop.

Senator Byrd, you are next.

I welcomed you earlier in my opening statement. You have been gone from this committee, but not from the Senate, for 20 years. We have noted your absence, and we are delighted to have you back.

Senator BYRD. Well, thank you, Mr. Chairman. I served on this committee when another great Georgian was chairman of the committee, the late Senator Richard Russell, and I take great pride to this day in being the author of the resolution that resulted in the naming of this building in his honor.

I come as a new member to the committee, and my contributions will not be great, but I certainly cherish the opportunity to serve with you as the chairman and the other members. And I understand we are under the 5-minute rule.

Senator Tower, let me just make a brief statement desultory as it may be, and perhaps you can just sum up in one response your answer to my question.

Chairman NUNN. Senator Byrd, we had opening statements, and you were not able to be here during that time, so we will add another 2 or 3 minutes to your time if you need it.

Senator BYRD. Thank you very much.

I have been going over three pieces by the nominee, two of which are of recent vintage. One speech was delivered at Georgetown University on April 14, 1988, on executive-legislative relations in the aftermath of INF. The second was delivered before the Foreign Relations Committee on August 1, 1988, in the form of testimony on the matter of revising the War Powers Resolution. The third piece, a long article in the Journal of Foreign Affairs in 1981, contains essentially the same material. I believe, though, that your speech of April 14 is perhaps the most revealing of the three.

Now, there are many matters in which the committee will want to engage in questions, but being the newest member of the committee, I am going to just confine my question to this area today.

In the August 14 speech at Georgetown University you made, and I will just quote some excerpts, "In its visceral reaction to fiscal shortfalls, Congress has required the defense budget to bear a disproportionate share of the burden. The determination of the United States in national security strategy must be based unconditionally on a careful, deliberate assessment of the nature and magnitude of the threat posed by her adversaries, a task which Congress is singularly ill suited to perform."

Another excerpt, "I watch with increasing concern a trend toward congressional intrusion into foreign policy making. This intrusion has been manifested by such actions as the War Powers Act, the Church committee, the Boland amendments," and I emphasize this, "and most recently the embarrassing tug of war over the INF Treaty, all of which have detrimental effects on the President's ability to conduct an effective foreign policy."

Another quote, "The role of Congress can no longer be one simply of oversight or advice if the executive is no longer to be trusted, but must be one of active engagement at every stage. This attitude has fostered a dynamic where Congress increasingly usurps the executive function by micromanaging both foreign and national security policy."

Another quote, "The executive branch is in danger of becoming so constrained by Congress that its ability to formulate and implement a coherent, reliable foreign policy is seriously threatened. If this imbalance is not corrected, the United States will become increasingly unable to meet its commitments or act in the international arena."

Another excerpt, "Despite perceived failures of the executive, the President alone has the mandate and the resources to manage the difficult process of interacting with other nations."

Another excerpt, "If the executive is immobilized by acrimonious debate, our adversaries are rewarded, our allies are confused, and the Nation is crippled."

Another excerpt, "To lessen congressional mistrust of executive branch policy making, both must engage in a closer process of consultation on foreign policy in a manner consistent with their constitutionally mandated roles."

Those excerpts I think are sufficient to lay the premise for my question, and I ask unanimous consent, Mr. Chairman, to insert the entire statement into the record so that the excerpts will appear in the entire context.

Chairman **Nunn**. Without objection.

[The excerpts referred to follow:]

EXECUTIVE-LEGISLATIVE RELATIONS IN THE AFTERMATH OF INF

John G. Tower

April 14, 1988

CONTRARY TO THE SHARPLY-HONED CRITICISMS BORNE OF PARTISAN POLITICS IN A PRESIDENTIAL ELECTION YEAR, THE NATIONAL SECURITY OF THE UNITED STATES HAS BEEN SIGNIFICANTLY ENHANCED OVER THE PAST EIGHT YEARS. IMPORTANT STEPS HAVE BEEN TAKEN TO BEGIN MODERNIZATION OF A DEFENSE CAPABILITY THAT HAD LANGUISHED DURING THE 1970'S. DESPITE SOPHISTICATED SOVIET ATTEMPTS TO DIVIDE THE WESTERN ALLIANCE, ALLIANCE UNITY HAS BEEN MAINTAINED AND REAFFIRMED IN A MANNER UNLIKE THAT OF ANY OTHER TIME SINCE THE CONCLUSION OF WWII. WHAT SEEMED TO MANY TO BE A COUNTER-INTUITIVE STRATEGY OF "NEGOTIATING FROM STRENGTH" HAS BORNE EXTRAORDINARY DIPLOMATIC FRUIT WITH THE SIGNING OF THE INF TREATY. DESPITE SIGNIFICANT SUCCESSES, WE MUST NOT BE BLIND TO THE POLITICAL DEVELOPMENTS WHICH COULD ENDANGER THESE ACHIEVEMENTS.

THERE ARE SOME WHO WOULD MISTAKE RECENT FOREIGN POLICY SUCCESSES FOR A REDUCTION IN THE THREAT FACED BY THE UNITED STATES. HOWEVER, THE CHALLENGE TO OUR NATIONAL SECURITY HAS NOT DIMINISHED -- IT IS MERELY CHANGING; ITS NATURE LESS CLEARLY PERCEPTIBLE AND, IN SOME WAYS, FAR MORE COMPLEX.

GEOGRAPHICALLY, MANY OF THE FOREIGN ARENAS THAT AFFECT UNITED STATES' NATIONAL SECURITY INTERESTS NOW ARE CHANGING DRAMATICALLY. UNFORTUNATELY, HOWEVER, THE SALIENCE OF AMERICAN PUBLIC CONCERN OVER FOREIGN CONFLICT IS DIRECTLY RELATED TO ITS PROXIMITY TO OUR SHORES AND ITS IDENTITY WITH OUR CULTURAL ROOTS. THUS, MANY FIND IT DIFFICULT TO CONTEMPLATE TERRORISM AS A NEW FORM OF WARFARE, POTENTIALLY THREATENING ON THE SAME SCALE AS THOSE CONFLICTS WHERE BATTLEFIELD WEAPONS ARE EMPLOYED. WE ALSO

FIND IT DIFFICULT TO CONFRONT THE CHARACTER OF THE THREAT RESULTING FROM TRADITIONALLY UNARMED NATIONS WHICH NOW POSSESS WEAPONS SYSTEMS WHOSE CAPABILITY HAS REACHED LEVELS PREVIOUSLY UNIMAGINED. AND IN THE SOVIET UNION, WE FACE A TRADITIONAL ADVERSARY, YET ONE WHICH EXHIBITS A NEW SOPHISTICATION AND CLEVERNESS IN PUBLIC DIPLOMACY WHICH THREATENS FOR THE FIRST TIME TO CHALLENGE THE CONFIDENCE OF WESTERN PUBLICS IN THE LEADERSHIP OF THE UNITED STATES.

OUR PAST AND PROSPECTIVE DIPLOMATIC SUCCESSES MUST NOT LEAD US TO A DANGEROUS COMPLACENCY, AND SUBSEQUENT SERIOUS MISJUDGMENT, IN CALCULATING THE PREREQUISITES FOR CONTINUED PEACE AND SECURITY. I BELIEVE THAT WE HAVE THE EXECUTIVE LEADERSHIP AND INTELLECTUAL RESOURCES NECESSARY TO MEET THESE CHALLENGES. HOWEVER, IT IS INCREASINGLY DISTURBING TO ME THAT, AT A TIME WHEN OUR CONGRESSIONAL LEADERSHIP MOST NEEDS TO BE FARSIGHTED AND INNOVATIVE, ITS PERSPECTIVE REMAINS SHORT-SIGHTED AND PAROCHIAL.

IN ITS VISCERAL REACTION TO FISCAL SHORTFALLS, CONGRESS HAS REQUIRED THE DEFENSE BUDGET TO BEAR A DISPROPORTIONATE SHARE OF THE BURDEN, OVERLOOKING THE FACT THAT IT WAS A SINGLE-MINDED ATTENTION TO OUR MILITARY CAPABILITIES THAT BROUGHT THE SOVIET UNION BACK TO THE ARMS CONTROL NEGOTIATING TABLE IN 1985. IN THE WARM AFTERGLOW OF A SUCCESSFUL INF TREATY, MANY ARE OVERCONFIDENT THAT A START TREATY CAN PROVIDE A LEVEL OF STRATEGIC SECURITY THAT WE SEEM UNWILLING TO PROVIDE FOR OURSELVES. RATHER THAN MAKING A COMMITMENT TO INCREASING THE CREDIBILITY OF NATO'S CONVENTIONAL DETERRENT, TOO MANY IN CONGRESS ARE PINNING THEIR HOPES ON THE SHORT-TERM SUCCESS OF A CONVENTIONAL ARMS REDUCTION NEGOTIATION, OVERLOOKING THE FACT THAT ITS PREDECESSOR WAS FINALLY ABANDONED AFTER THIRTEEN YEARS OF FRUITLESS BARGAINING.

CURRENT CONGRESSIONAL ACTIONS ARE IN DANGER OF LEADING US BY DEFAULT TO EMBRACE A NATIONAL SECURITY POLICY OF RETRENCHMENT -- A POLICY BORNE OF THE BELIEF THAT THE UNITED STATES CAN NO LONGER AFFORD TO MAINTAIN ITS DEFENSE COMMITMENTS AND MUST USE SCARCE RESOURCES TO REINFORCE ITS ECONOMIC INFRASTRUCTURE. IN SIMPLE TERMS, IT IS ARGUED THAT THE UNITED STATES CAN NO LONGER BE AN "INTERNATIONAL POLICEMAN" AND AT THE SAME TIME MAINTAIN A STRONG, COMPETITIVE, STABLE DOMESTIC ECONOMY.

IT IS CRUCIAL, HOWEVER, THAT OUR NATIONAL SECURITY STRATEGY NOT BE DETERMINED EITHER BY COMPLACENCY BROUGHT ON BY FOREIGN POLICY SUCCESS OR BY A PAROCHIAL RETRENCHMENT MENTALITY FOSTERED BY THE BUDGET DEFICIT. THE DETERMINATION OF THE UNITED STATES' NATIONAL SECURITY STRATEGY MUST BE BASED UNCONDITIONALLY ON A CAREFUL, DELIBERATE ASSESSMENT OF THE NATURE AND MAGNITUDE OF THE THREAT POSED BY HER ADVERSARIES, A TASK WHICH CONGRESS IS SINGULARLY ILL-SUITED TO PERFORM.

CURRENT CONGRESSIONAL ACTIVITY CARRIES THE HALLMARK OF A NEW WAVE OF ISOLATIONISM. IT IS NOT A RECENT TREND, BUT ONE THAT HAS MANIFESTED ITSELF OVER SEVERAL YEARS IN A VARIETY OF ACTIONS THAT HAVE ONE EFFECT IN COMMON -- THEY HAVE DIMINISHED PRESIDENTIAL AUTHORITY IN FOREIGN AFFAIRS. IT IS AN EFFECT THAT I BELIEVE DOES NOT BODE WELL FOR OUR ABILITY TO MEET THE INTERNATIONAL POLITICAL AND ECONOMIC CHALLENGES WE FACE.

BIPARTISANSHIP, IN SUPPORT OF PRESIDENTIAL POLICY-MAKING TENDED TO BE THE WATCHWORD OF THE POST-WAR PERIOD. HOWEVER, EVENTS OF THE PAST TWO DECADES HAVE COMBINED INSIDIOUSLY TO PRODUCE A SITUATION CHARACTERIZED BY PROFOUND STRAIN IN THE EXECUTIVE-CONGRESSIONAL RELATIONSHIP.

I WATCH WITH INCREASING CONCERN A TREND TOWARD CONGRESSIONAL INTRUSION INTO FOREIGN POLICY-MAKING. THIS INTRUSION HAS BEEN MANIFESTED BY SUCH ACTIONS AS THE WAR POWERS ACT, THE CHURCH COMMITTEE, THE BOLAND AMENDMENTS -- AND MOST RECENTLY, THE EMBARRASSING TUG-OF-WAR OVER THE INF TREATY -- ALL OF WHICH HAVE DETRIMENTAL EFFECTS ON THE PRESIDENT'S ABILITY TO CONDUCT AN EFFECTIVE FOREIGN POLICY.

A COMBINATION OF CIRCUMSTANCES: THE IMPACT OF VIETNAM, CLOSELY FOLLOWED BY WATERGATE, THE EROSION OF CONGRESSIONAL DISCIPLINE AND MORE RECENTLY IRAN-CONTRA, HAVE RESULTED IN A PROFOUND BREAKDOWN IN TRADITIONAL PATTERNS OF DEFERENCE TO THE EXECUTIVE IN FOREIGN AFFAIRS. THE ATTITUDE NOW ENTRENCHED ON THE HILL CAN BE SUMMARIZED AS FOLLOWS: IF THE EXECUTIVE IS NO LONGER TO BE TRUSTED, THEN THE ROLE OF CONGRESS CAN NO LONGER BE ONE SIMPLY OF OVERSIGHT OR ADVICE, BUT MUST BE ONE OF ACTIVE ENGAGEMENT AT EVERY STAGE. THIS ATTITUDE HAS FOSTERED A DYNAMIC WHERE CONGRESS INCREASINGLY USURPS THE EXECUTIVE FUNCTION BY MICROMANAGING BOTH FOREIGN AND NATIONAL SECURITY POLICY.

IN THE AFTERMATH OF IRAN-CONTRA, WE HAVE WITNESSED A RENEWED EFFORT BY SOME IN CONGRESS TO FURTHER DIMINISH EXECUTIVE BRANCH AUTHORITY IN FOREIGN POLICY-MAKING. THE TRAGEDY OF IRAN-CONTRA IS THAT IT APPEARS TO VINDICATE THE PERSPECTIVE MOTIVATING THESE CONGRESSIONAL ACTIONS.

THESE PERCEPTIONS NOTWITHSTANDING, I BELIEVE THAT THE PRESENT BALANCE OF POWER IN FACT SWINGS DANGEROUSLY TO THE LEGISLATIVE SIDE. THE EXECUTIVE BRANCH IS IN DANGER OF BECOMING SO CONSTRAINED BY CONGRESS THAT ITS ABILITY TO FORMULATE AND IMPLEMENT A COHERENT, RELIABLE FOREIGN POLICY IS SERIOUSLY THREATENED. IF THIS IMBALANCE IS NOT CORRECTED, THE UNITED STATES

WILL BECOME INCREASINGLY UNABLE TO MEET ITS COMMITMENTS OR ACT IN THE INTERNATIONAL ARENA.

THE DEMANDS OF UNITED STATES FOREIGN POLICY ARE FORMIDABLE, AND ONLY THE EXECUTIVE BRANCH IS ORGANIZED TO RESPOND EFFECTIVELY TO THOSE DEMANDS IN A TIMELY FASHION. IN THE LAST TWO DECADES WE HAVE WITNESSED A RAPID AND SIGNIFICANT CHANGE IN THE NATION'S ABILITY TO SHAPE, PREDICT OR EVEN UNDERSTAND INTERNATIONAL DEVELOPMENTS. SUCCESSFUL PROMOTION OF THE NATIONAL INTEREST REQUIRES THAT FOREIGN POLICY NOT BE MADE IN A PIECEMEAL FASHION, RESPONSIVE SOLELY TO SHORT-TERM INTERESTS AND PROBLEMS, OR SUBJECT TO THE PENDULUM OF ISOLATIONIST/INTERVENTIONIST MOODS WHICH CHARACTERIZE THE AMERICAN PUBLIC'S, AND THUS, CONGRESSIONAL SENTIMENTS.

UNITED STATES' FOREIGN AND NATIONAL SECURITY POLICY MUST BE BASED ON CLEAR PERCEPTIONS OF THE LONG-TERM NATIONAL INTEREST, AND REFLECT A COHERENT NATIONAL STRATEGY. IT MUST BE AN AGGREGATE, COMPRISED OF SEPARATE BILATERAL AND MULTILATERAL RELATIONSHIPS THAT FIT INTO A BROADER SCHEME DESIGNED TO PROMOTE THAT LONG-TERM NATIONAL INTEREST. DESPITE PERCEIVED FAILURES OF THE EXECUTIVE, THE PRESIDENT ALONE HAS THE MANDATE AND THE RESOURCES TO MANAGE THE DIFFICULT PROCESS OF INTERACTING WITH OTHER NATIONS.

OTHER NATIONS FIND IT INCOMPREHENSIBLE THAT OUR SYSTEM OF GOVERNMENT PERMITS, EVEN ENCOURAGES, CONTESTS OVER THE PRESIDENT'S POWER TO MANAGE EXTERNAL AFFAIRS. EVEN WHEN PRESIDENTIAL AUTHORITY IS ULTIMATELY UPHELD, CONGRESSIONAL CHALLENGES LEAD TO DETRIMENTAL MISUNDERSTANDINGS BOTH IN THE UNITED STATES AND ABROAD ABOUT THE DEPENDABILITY OF OUR COMMITMENTS. IF THE EXECUTIVE IS IMMOBILIZED BY ACRIMONIOUS DEBATE, OUR ADVERSARIES ARE REWARDED, OUR ALLIES ARE CONFUSED AND

THE NATION IS CRIPPLED.

THE CONSEQUENCES FOR THE NATION OF SHORT-SIGHTED, FRAGMENTED POLICIES RESULTING FROM CONGRESSIONAL INTERVENTIONS ARE BY AND LARGE MORE COSTLY THAN MISSTEPS BY THE EXECUTIVE. WHILE SUCH MISTAKES AS THE IRAN-CONTRA OPERATION, CAN BE ARGUED TO DEMONSTRATE THAT THE EXECUTIVE CAN ACT IMPRUDENTLY, EVEN TO DANGEROUSLY OVERREACH HIS AUTHORITY, THESE EPISODES DO NOT OBVIATE THE INHERENT LIMITATIONS OF THE CAPACITY OF CONGRESS TO INITIATE AND MANAGE FOREIGN POLICY.

THE LIMITED TIME MEMBERS CAN DEVOTE TO ISSUES, THE MULTIPLICITY OF SHORT-TERM SPECIAL AND PAROCHIAL INTERESTS, THE PONDEROUSNESS OF COLLECTIVE DECISION-MAKING, ALL ARGUE FOR CONGRESSIONAL ACCEPTANCE OF THE LEADERSHIP ROLE OF THE PRESIDENT IN THE CONDUCT OF FOREIGN POLICY. THE NOTION THAT ACTS OF CONGRESS -- WHICH OFTEN RESPOND TO THE WHIM OF THE MOMENT, YET CIRCUMSCRIBE ALL PRESIDENTS WHO FOLLOW -- CAN PREVENT FUTURE PRESIDENTS FROM MAKING MISTAKES, IS IN ITSELF ASTONISHING. THE ANSWER TO PRESIDENTIAL ERROR OR PERCEIVED ABUSE IS THE IMPROVEMENT OF THE NATIONAL SECURITY PROCESS IN THE EXECUTIVE BRANCH, NOT SPORADIC AND DISJOINTED INCURSIONS INTO THE PROCESS BY THE CONGRESS.

ONE OF THE MOST THREATENING MANIFESTATIONS ON THE POLITICAL HORIZON IS THE SHORTSIGHTEDNESS OF CONGRESSIONAL STRATEGY REGARDING ALLIANCE BURDEN-SHARING. SIMULTANEOUSLY ENGULFED IN A WAVE OF ARMS CONTROL EUPHORIA AND BUDGETARY BROODING, CONGRESS IS CONSIDERING AN ARRAY OF PROPOSALS WHICH THREATEN SUCH ACTION AS UNILATERAL TROOP WITHDRAWALS FROM NATO IF THE ALLIANCE FAILS TO ACCEPT AN ULTIMATUM FOR INCREASED DEFENSE BURDEN-SHARING. TO FAVOR INCREASED BURDEN-SHARING SIMPLY AS A SPEEDY PANACEA FOR AN ONEROUS BUDGET OR TRADE DEFICIT IS A FAILURE TO RECOGNIZE THE CHARACTER OF THE THREAT WE FACE FOR THE UNCERTAIN FUTURE AND A

PRESCRIPTION THAT WILL ALMOST CERTAINLY JEOPARDIZE THE NATIONAL SECURITY.

WE MUST FRAME POSITIVE AND EFFECTIVE SOLUTIONS TO THE FISCAL CONSTRAINTS WE FACE. YET, IN ORDER TO DO SO, WE MUST MOVE BEYOND SOLUTIONS MADE ATTRACTIVE BY EXPEDIENCY. WHILE I STRONGLY FAVOR A GREATER DEGREE OF BURDEN-SHARING BY OUR EUROPEAN ALLIES, I FIND IT DISTURBING THAT SOME PROPONENTS OF INCREASED ALLIED CONTRIBUTIONS SUGGEST THAT THE UNITED STATES, IN ITS ROLE IN NATO, IS AT BEST, ALTRUISTIC -- AND AT WORST, PERMITTING ITSELF TO BE EXPLOITED.

NEITHER CRITICISM IS ACCURATE. WE MAINTAIN A SUBSTANTIAL PRESENCE IN EUROPE, AND DEVOTE A LARGE PART OF OUR BUDGET TO ITS DEFENSE, BECAUSE IT IS IN OUR NATIONAL SECURITY INTEREST TO DO SO. BOTH CRITICISMS ASSUME IMPLICITLY THAT, AFTER FOUR DECADES OF PEACE, A WAR COULD NEVER BE FOUGHT AGAIN ON THE EUROPEAN CONTINENT. THE TRUTH OF THE MATTER IS THAT A WAR HAS NOT BEEN FOUGHT BECAUSE OF THE UNITED STATES' PRESENCE AND SUPPORT, BOTH AS A UNIFYING INFLUENCE WITHIN THE ALLIANCE AND BY PROVIDING A CREDIBLE DETERRENT FORCE. IN THE AFTERMATH OF INF, THE UNITED STATES MUST ASSUME A LEADERSHIP ROLE WHICH PERMITS US TO BUILD UPON OUR PROGRESS IN ENHANCING EUROPEAN SECURITY, NOT UNDERMINING IT BY TREATING OUR ALLIES AS ADVERSARIES.

WHILE I DO NOT UNDERESTIMATE THE SERIOUSNESS OF THE TENSION WHICH EXISTS BETWEEN THE EXECUTIVE AND CONGRESS IN THE CONDUCT OF FOREIGN POLICY, THE COMING YEAR WILL PROVIDE A RENEWED OPPORTUNITY FOR BOTH TO INITIATE A POLICY OF QUIET DIPLOMACY DESIGNED TO HEAL THE WOUNDS OF THE PITCHED FOREIGN POLICY BATTLES OF THE LAST FEW YEARS. TO LESSEN CONGRESSIONAL MISTRUST OF EXECUTIVE BRANCH POLICY-MAKING, BOTH MUST ENGAGE IN A CLOSER

PROCESS OF CONSULTATION ON FOREIGN POLICY, IN A MANNER CONSISTENT WITH THEIR CONSTITUTIONALLY-MANDATED ROLES. ACTIVITIES SUCH AS THE BUDGET SUMMIT SHOULD BE INSTITUTIONALIZED IN THE NEXT CONGRESS AND NEW ADMINISTRATION TO ENSURE BOTH THAT OUR NATIONAL SECURITY PROGRAMS ARE EQUAL TO THE THREAT AND THAT WE DO NOT COMMIT TO ECONOMICALLY DESTABILIZING DEFENSE EXPENDITURES.

UNITED STATES' FOREIGN AND NATIONAL SECURITY POLICY IN THE AFTERMATH OF THE INF TREATY WILL FACE CHALLENGES THAT REQUIRE THE EXECUTIVE AND LEGISLATIVE BRANCHES OF THE GOVERNMENT WORK TOGETHER IN COOPERATION, NOT COMPETITION. IT IS A TIME FOR CONGRESS TO DEMONSTRATE ITS CAPACITY FOR POLITICAL LEADERSHIP BY WORKING IN PARTNERSHIP WITH THE EXECUTIVE BRANCH TO PRODUCE A FOREIGN POLICY THAT TRULY LEAVES PARTISANSHIP AT THE WATER'S EDGE.

Senator BYRD. Senator Tower, I have enjoyed serving with you in the Senate for a number of years. You were chairman of this committee and a very strong chairman. I think we understand each other pretty well.

As a Member of the Senate for 30 years—now going on 31 years—as the leader of my party in the Senate for 12 years, but more importantly as one who has come to appreciate the meaning and the purpose and the role of this institution under the Constitution, I must say that, in my opinion, and my opinion can be wrong and has been wrong many times, many of us—in serving in this institution—never really come to appreciate what it is all about, this institution.

The roots of many of the constitutional phrases and clauses that we revere are rooted in the history of England. Many of the roots and practices and customs of this institution are rooted in English history, and our forefathers had before them the immediate experience of Englishmen, the fact that Englishmen had taken up the sword and shed their blood on behalf of the ancient right of Englishmen and the prerogatives and liberties of the parliaments.

And I have over the years, and more recently in particular, tried to come to a closer grip with this cosmos of English history and the U.S. Constitution and our own Senate, its rules and precedents. So, I say all that as a premise to stating something that I know you are well aware of. I revere the legislative branch, and I think it is important that we uphold our role under the Constitution as mandated by our forebears who wrote that Constitution.

Having said that, I must say that I was somewhat astonished in reading this statement which indicates to me that in your individual thinking, your intellectual scope of the relations between the executive and the legislative branches, especially after you served in the Senate all these years and as chairman of this committee—a very strong chairman, a very strong advocate of whatever you believe in—that I was rather astonished to see what I felt might be a visceral inability on your part to accommodate yourself as Secretary of Defense to what I conceive as being a role in which we are going to have to work together and should work together in constructive harmony.

There should be bipartisanship, and the new President has initiated a very good tone in that respect. I am wondering if you will be able to bring yourself to the point of cooperating with this legislative branch, consulting with it, seeking its advice and consent and being forthright in the sense that you are willing to concede that the legislative branch has a role to play, not only in the consultation, not only in implementation of policy, but also in the formulation of policy.

I believe that Congress, indeed, does have a role in the formulation of policy as well as in the implementation of it, recognizing that the President is the Commander in Chief of the Armed Forces.

What steps can you take to help to bring about that bipartisanship and the close working relationship between our two branches as we attempt to formulate the defense policy and fulfill the constitutional requirements of providing and maintaining a Navy and making the rules to govern and regulate the land and naval forces of this country?

What can you say today that will make me feel that regardless of what your intellectual position is, you can work with the Congress in the formulation, as well as the implementation of policy? As a majority leader, which I was at one time, I had to accommodate my own intellectual views to the practicalities and pragmatics of the situation which I faced from time to time.

I ask you now for your reaction. What can you say that will make me feel that regardless of what you may have said in this speech here and which I find rather provocative and with which I must disagree in some points, most respectfully—what can you say to make me feel and others of the committee or both sides of the aisle feel that you, in your position as Secretary of Defense, are going to meet the Congress halfway, are going to work with us and cooperate and consult with us, so that we are both working together in the best interests of our country?

Mr. TOWER. Senator, I think you have raised a very important question and one that I should be compelled to answer. How can I reassure you that I am prepared to cooperate?

Let me first say that I do claim authorship of all that you have quoted that I have said. I intellectually believe it. Most of my criticism of what I consider to be the encroachment of the legislative branch on the foreign policy formulation and implementation process of the executive branch—most of those criticisms I made while I was a member of this body.

I trust that all of us who serve or have served in the Congress would want to have the facility for self-analysis and self-criticism. I think that there is that capacity that is manifest, for example, in the Inouye-Kassebaum proposal which recognizes that there are certain problems in the legislative process that need correction.

Now, not everybody might agree with that process, but I know a lot of individual Senators, I know some on this committee that I have talked to individually, who think maybe the process here has gotten overbureaucratized, too replicative, too duplicative.

We go through a budget process, authorization, appropriation. It is difficult for Congress to get its work done at the end of the year. Now, that is a given.

Certainly I have criticized the Congress, and in this particular area, I think it is a very sensitive matter. I have always said that Congress must be absolutely supreme in domestic matters. The President should never have the power in domestic matters that he must necessarily have if he is to implement his responsibility as the chief representative of this country to nations abroad.

Yes, I made those criticisms. I made them pointedly and emphatically and perhaps harshly. I still intellectually believe that. Let me note that Congress is not monolithic on foreign policy issues.

It would be much easier when you consult with the Congress if one looks at the differing philosophies of the chairman and ranking members of the Foreign Relations Committee, for example. One wonders how there could be a monolithic and comprehensive policy on the part of Congress, and Congress does from time to time change its mind, which is very good on domestic matters, but it adds an element of uncertainty when you are trying to formulate long-term reliable foreign policy.

Now, having said that, let me say that I believe that it is incumbent on me to take this step. After all, I was a Member of this body for 24 years. I revere the Senate, as do you, Senator Byrd, and I served here with those great men like Senator Russell, Senator Harry Byrd, Everett Dirksen, Mike Mansfield, men that I really looked up to.

The fact is one of the problems I have with the Congress is we do not have a smaller group of people imposing some discipline on the legislative process as we did in those days. If we did, perhaps this problem would not be present.

Now, having said that, I think that confrontation with the Congress is not the way to resolve the problem. I could not be confrontational with the Congress anyway, because I have too many friends here with whom I am now on a first name basis and know socially. And I am not going to go out and say these are a bunch of mindless yahoos that do not know anything about national security or foreign policy.

I see Senator Cohen is smiling.

Senator COHEN. You are getting truculent again.

Mr. TOWER. Because I have perhaps criticized his views from time to time in his presence, but let me try to give you the key to what I think about.

My reading of the last two paragraphs of the speech that I made at George Washington University, I believe, on April 14, which you have quoted from: "while I do not underestimate the seriousness of the tension which exists between executive and Congress in the conduct of foreign policy, the coming year will provide a renewed opportunity for both to initiate a policy of quiet diplomacy designed to heal the wounds of the pitched foreign policy battles of the last few years."

"To lessen congressional mistrust of executive branch policy making, both must engage in a closer process of consultation on foreign policy, in a manner consistent with their constitutionally mandated roles. Activities such as the budget summit should be institutionalized in the next Congress and the new administration to ensure both that our national security programs are equal to the threat and that we do not commit to economically destabilizing defense expenditures."

"United States foreign and national security policy in the aftermath of the INF Treaty will face challenges that require the executive and legislative branches of the Government to work together in cooperation, not competition. It is time for Congress to demonstrate its capacity for political leadership by working in partnership with the executive branch to produce a foreign policy that truly leads to partisanship at the water's edge."

Chairman NUNN. Senator Tower, thank you for that answer. I do not want to cut this dialogue off here, but we have got a vote starting at 5:30. We have got four more members who want to ask questions, and I am afraid when we start on the vote, we will not be able to get back together this evening. So, next is Senator Coats.

Senator COATS. Thank you, Mr. Chairman.

Senator Tower, to the extent I ask questions which you have already answered, I apologize for my absence for about 45 minutes. Please feel free to say that you have answered it, and I will look in the record and get the answer.

I do assume you agree with past Secretaries of Defense who have stated that it is appropriate to base the level of defense spending on the threat that we face, not necessarily on the budget that we have to deal with, and even in your statement you state, and I quote, "Our strategy must be founded on a careful deliberate assessment of our interests and the nature and magnitude of the threat posed by our adversaries."

If that assumption is correct, based on your assumption of the current threat that we face and will be facing, say, in the next 3 to 5 years, if you could set budget constraints aside just for the purposes of this discussion, what level of defense spending do you think we should be at and at what level do you think we should grow?

Mr. TOWER. Senator, I would probably be very ill-advised to respond to that question. Obviously I would like to have all of the things. You know, it would be nice not to have to resolve, for example, the choice of whether or not we build a B-2 or if we do, how many do we build. It would be nice to have both rail mobile MX and road mobile Midgetman. You know, this would give us really a great deterrent capability.

You know, you could go on and on with a wish list. But at the same time we would have to discipline ourselves to use a common expression to get the biggest bang for the buck.

As I said earlier, this might not be a bad exercise for us to be compelled to go through—operating under constraints that are going to force us to do things better.

Now, in the final analysis, once having operated within these constraints, once having proven our responsibility in national security matters, once having proven ourselves to be responsible stewards of the taxpayer's dollar and in spending that dollar for national defense, once having done that, if the threat drives our requirements to the point that we need more money, I will come back and ask for it, provided that is what the President wants me to do, but I am not perpared to do that right now.

And it would be based on what I perceive requirements are at the time. But I say all of these other things have to be accomplished first to restore public confidence in what we are doing.

Senator COATS. What if your assessment of the threat caused you to believe that we could actually spend less to meet that threat? Would you come before us?

Mr. TOWER. Obviously, if the threat is substantially diminished—I do not foresee that in the near term, Senator. I do not even foresee it perhaps within the next 4 or 5 years, not within the time frame of this administration, I do not foresee it. But certainly with the diminution of the threat we could obviously reduce our dedication of resources to defense.

If there were no threat, we would be spending enormously less than we spend now. We would spend very little. We would be maintaining the kind of standing Army we had in 1938, which is about half the size of what the Marine Corps is now.

Senator COATS. Some suggest that given Mr. Gorbachev's proposed reforms and cutbacks that the threat will be reduced. The question is now whether or not you agree with that. I think I am as skeptical as you at this particular point, and I think only time will tell, but my question is what criteria do we use to correctly evaluate those promises.

Mr. TOWER. Threat assessment, just a pure threat assessment. We are undergoing a formulation of a net assessment now, the Joint Chiefs are, and I think you have to base it on that, a realistic assessment.

And you look at the threat and you tailor your forces accordingly.

Senator COATS. Could you give me a quick assessment of the threat as you perceive it or see it in the Middle East and how that might impact on our relations with Israel and the military support for that nation?

Mr. TOWER. Well, the threat in the Middle East is a multifarious threat. It comes from many quarters. Because the Soviet Union is geographically located in that area, we always regard Soviet ambitions for aggrandizement as a potential threat.

We have to look at the ethnic and religious animosities and hostilities of the area as a threat because they are destabilizing. They create the kind of environment in which political stability is not possible. We have to consider the threat from doctrine authoritarian regimes such as that of the Ayatollah in Iran, or the threat from factions like the Shiite extremists in Lebanon and indeed other parts of the Middle East—terrorist organizations. Threat takes on many forms these days, and we have to be prepared to meet those threats. Everything from a few isolated terrorists to the biggest—I did not say the best—the biggest military power in the world.

Chairman NUNN. Thank you, Senator Coats.

Senator Kennedy.

Senator KENNEDY. Thank you, Mr. Chairman. I know, Senator Tower, you have covered some of the matters concerning burden-sharing with Senator Levin earlier. I just want to underline the importance of that issue. I know you understand it well having been abroad and spent time with our allies.

I believe that international security is tied to the international economy. We have limitations of what Japan can spend on defense, but they could also help us out on Third World debt. There are other ways that we can do it, and I just underline what Senator Levin has mentioned on that.

Mr. TOWER. I must say I agree with you that we should encourage them to go beyond pure military.

Senator KENNEDY. The other matter is the proliferation of missiles. I know that you want to come back to us on that. I think one of the principal concerns that we have, is even though six of our European allies have signed the missile technology regime, the two principal suppliers, the Soviet Union and the Chinese. We are moving into a new wave with the Chinese in terms of cooperation, in terms of satellites, other kinds of areas of cooperation, and I would hope that we would make sure that the Defense Department knows what the State Department is doing and the State Department knows what the interest of the Defense Department is, particularly with the proliferation of missiles in many parts of the world.

Third, I know you have talked briefly about the role of the military in interdiction in terms of the whole drug program. You probably are aware that last year the House of Representatives actually stated that it was their demand or their desire that the Secretary of Defense take what steps are necessary to ensure that drug smuggling be terminated within 45 days. That was actually written in the bill.

We have had hearings on this question about what the role of the military has been. I think we have a clearer idea after what I consider to be the excellent testimony of Secretary Carlucci who raised the questions of what its impact would be on reduced military readiness, how effective it could be, the whole issue of posse comitatus.

We have a new nominee as drug czar, Secretary Bennett, that has taken some very extensive positions on what the role of the military would be, and I would certainly hope that you would give this attention so that we would have a coordinated effort, that the administration would speak with one voice so that the drug czar, the Secretary of Defense, and that the American people would understand what is possible and what is not possible.

We have talked about this in our private meeting, and I found that helpful in terms of your own views, but perhaps if I get a chance to come back for the second round or whatever, we will have an opportunity to get into it.

The one area that I would like to take in the brief time that we do have available, and I will have used my 5 minutes up in these comments, but hopefully you will have a chance to respond to it, deals with the early carrier retirement issue. This has been an issue that the chairman of the committee, Senator Nunn, and I have been concerned about. We had a debate on this issue in the committee, votes in the committee, and also debate and a vote on the floor of the Senate of the United States.

You know we have gone from 12 to 14 carriers, from 1981 up to the present time. The Navy has indicated its priority is on the 15th carrier. We have seen a shortfall in terms of munitions and planes on those carriers, and support ships over the last 2 to 3 years. We have four battleship task forces—task forces which have increased the Navy's capability. The ships that we have on the line are more capable. The new carriers are going to be more capable and the possibilities of early retirement and the savings they provide over the 7-year period range from the Navy's own estimate of a billion dollars up to estimates by CBO and GAO of $5 billion.

If you retire the *Enterprise* instead of modernizing it, retiring it in this flow line of carriers, I would be glad to submit the various information to you. It would provide probably another $2 to $3 billion in savings.

Overall, this early retirement plan would result in reduction in the total number of carrier force, 14; a more effective carrier force in terms of the new ones coming on line, but important savings throughout the 1990s. And this is going to be an issue we are going to have a chance to discuss and debate.

I mentioned it to Secretary Carlucci. I would like to be able to send a note over to you. I would appreciate it if you would be able to address that question and examine the various considerations on that program because I do think it offers an opportunity to provide significant savings without interfering and still enhancing our capability for our military objectives and national security.

I see my time is up. I would welcome whatever brief comments that you might be able to make.

Mr. TOWER. Let me just respond to your statement on the carriers. It was very informative. As I said earlier, nothing is sacred. We are going to review everything and certainly our carrier forces will come under that scrutiny.

Let me say that we will, of course, be very concerned about our ability to project force globally and, as some have said, the aircraft carrier is a precision instrument of diplomacy. So it has a very useful role. However, having said that, nothing is sacred. We will look at everything.

Chairman NUNN. Thank you, Senator Kennedy.

We will take Senator McCain and then Senator Wilson, and I suspect that will wind us up for the day.

Senator MCCAIN. Thank you, Mr. Chairman.

Just as a follow-on to the previous dialogue, Mr. Chairman, I hope that we are also considering the jeopardy which our bases are now placed in, whether it be in Greece, the Philippines, Spain, or anyplace else in the world. As a result, most strategists believe that there will be an increasing reliance on sea power and aircraft carriers if only because some of the payments we are making for base rights now are tantamount to blackmail.

Leaving that aside, Senator Tower, you made a very important point in your written and oral statement. You said you intend to define mission and roles and then purchase hardware in order to fit those missions and roles. I think a case can be made, and with great validity has been made, that that has not been the case in the past on many occasions. However, I think there is a key element to defining missions and roles which has been neglected up to this time and you just alluded to it in response to a question from Senator Coats. This is the issue of net assessment.

As you may know, last year this committee successfully sponsored legislation that required DOD to introduce three major improvements in defense planning. These included requirements that the defense budget be submitted with a net assessment that examined our mission capabilities over the next 5 years on the basis of a new budget, a net assessment and data that explained our arms control strategy, and a net assessment that called for a consolidated readiness plan.

I am sorry to tell you, Senator Tower, that two of those net assessments are bogged down for one reason or another, and we have not received anything along the lines of a credible net assessment for a variety of reasons, including bureaucratic inertia and the desire on the part of some planners in the Pentagon to classify every bit of information.

If we are going to make an argument to the American people that we need to spend an adequate level of dollars for defense, we have got to give them the facts. I am afraid that we have failed to do so. I would hope that you would spend some of your precious time, just as soon as you assume the job, to make sure that the Congress of the United States and the people of the United States receive a proper net assessment of the impact of the budget and the FYDP on our mission capabilities and security. They need such a document to make up their minds as to whether we need to retire two aircraft carriers or whether we need additional Air Force wings, and what level of defense spending needs to be made.

I would suggest to you that the major reason for the erosion in the confidence the taxpayers of America have that their dollars are wisely and efficiently spent is not only a function of the defense scandals, but because we have never adequately explained to the American people what the threat is and what capabilities our defense budget buys. I do not think that they will be able to ascertain what level of spending is right until we get a proper net assessment.

I would like your comments on that view.

Mr. TOWER. I agree with you. You know, I feel a little bit like the fellow who was asked to make a few remarks after the Sermon on the Mount, because you have already made the case. [Laughter.]

And I agree with you. We should have it and it should be made understandable to every American. Obviously, we should have something that is declassified. Unfortunately, a lot of the important substance is in the classified area. If you could show a lot of classified stuff to people, they would really be impressed with what we need to do to maintain our national security.

Senator MCCAIN. Thank you, Senator Tower.

Mr. TOWER. But I do agree that we ought to have something that is easily understood and out in the public domain.

Senator MCCAIN. One final question, because I know my friend from California would like to have his time for questions.

Can we indefinitely tolerate the presence of a chemical and/or biological weapons plant in the hands of Mu'ammar Qadhafi and the Libyans?

Mr. TOWER. Indefinitely, no.

Senator MCCAIN. Thank you, Mr. Chairman.

Senator COHEN. Did you say "definitely, no"?

Mr. TOWER. I said, indefinitely. We cannot tolerate it indefinitely is my response.

Chairman NUNN. Thank you, Senator McCain.

Senator Wilson.

Senator WILSON. Thank you, Mr. Chairman.

Senator Tower, you bring, because of your experience, both here and as the chief of our arms control negotiating team on the START talks, what is probably a unique perspective, a unique combination of knowledge of both strategic and conventional systems.

So let me ask you whether or not in your judgment it is a wise thing for the United States to pursue a schedule with respect to the START talks that will so advance progress—and this may be, in the view of many, wishful thinking—but let us just assume for the sake of argument that it will so advance our negotiations that we find ourselves having achieved the goals, the broad goals of that agreement.

Are we not in danger, if in fact we succeed without having first negotiated a similar reduction in the conventional capability of the Warsaw Pact, of having, to use a phrase which many others have used even in connection with the INF Treaty, of having made Europe and perhaps the world safe for conventional warfare?

Mr. TOWER. Well, of course we have been discussing this for a long time, that if ultimately the outcome is to make the world safe for conventional warfare we have gone back to square one. I submit that a man who died in the Alamo with a musket ball in his chest is just as dead as somebody that died in a nuclear explosion.

Too, we have seen how devastating conventional war is. Anybody that has any memory of Europe—I was in the occupation of Japan in 1945, and I can tell you, if that is what conventional warfare can do with much less sophisticated conventional weapons than we have now, we do not want that either. War is a detestable way for men and nations to resolve their differences. No war is good.

Now, looking at strategic and conventional, I am not prepared to say at this point whether there should be linkage between a strategic agreement and conventional agreement. Perhaps it would not be necessary if we had a conventional capability which we had high confidence would deter any conventional adventurism by our adversaries.

I think we need to continue to improve our conventional capability against the time when we do reduce the nuclear threat so that we do not make the world safe for conventional warfare. I am not prepared to say at this point whether there should be linkage between, say, START and conventional arms reduction.

Senator WILSON. Well, if not prepared to do so now, are you not going to very soon be compelled to make precisely that judgment?

Mr. TOWER. Again, that is part of the national security process of which I am a player, along with the Secretary of State and the National Security Advisor and, to a limited extent the Chairman of the Joint Chiefs and CIA.

Senator WILSON. Let me just make this point. I think you are being a little too modest. I think that in the normal course of events jurisdiction and responsibility for most treaties goes clearly to the State Department, but in this arena, where the wisdom of a treaty depends upon judgments about the efficacy of various military responses, it seems to me that you have a central role and an enormous responsibility.

And absent evidence that we have the capability to neutralize what has been perceived over a period of years as an overwhelming superiority on the part of the Warsaw Pact in terms of conventional capability, and given the fact that we are facing the need for much greater costs to try to achieve that improvement in conventional capability, I think, and I would think that you might as well, that we are virtually compelled to make the kind of linkage that would guarantee that we do not find ourselves in the position where we have simply set the Soviet Union and the Warsaw Pact in a position of such clear superiority that we have created a very dangerous situation.

And indeed the other question that I was going to ask you really had to do with the very unpleasant prospect that we face of having to reduce defense expenditures in a way that we may both agree is unwise if we are confronted with a series of choices between unwise options. Would you not agree that in terms of achieving outlay reductions we are compelled to pursue the line of questioning that was initiated by Senator Gorton and reduce force levels because of the enormous cost of manpower?

I mean, the Defense Department is, after all, a very labor intensive business, and that is where major costs continue to lie for DOD as well as for business.

Mr. TOWER. If I may intervene at that point, conventional systems are far more manpower-intensive than strategic systems.

Senator WILSON. Precisely.

Mr. TOWER. So they are far more costly.

Senator WILSON. Precisely.

Mr. TOWER. But I am just not prepared to talk about linkage right now, Senator. To begin with, I think you would have to assume a probable outcome of a START negotiation and I am not prepared to make any assumptions on that now because we are, I think, being very cautious about our approach to START right now, which is the policy of our new President, to slow down that process a little bit and take stock.

Senator WILSON. I think wisely so. Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator Wilson.

Senator Tower, thank you for your patience this afternoon.

We will be back in this room at 9:30 tomorrow morning and it is my suggestion, and I believe the committee agrees with this, we start on the subject of conflict of interest. Everyone has not finished their first round. I hope we can handle the conflict of interest issue in a couple of hours and then spend the rest of tomorrow on policy again and probably have another round of questions.

Thank you, Senator Tower.

Mr. TOWER. Thank you.

[Questions for the record with answers supplied follow:]

QUESTIONS SUBMITTED BY SENATOR CARL LEVIN

Senator LEVIN. One of the major issues raised by the "Ill Wind" scandal last summer was the lack of oversight and control over consultants in the defense field. Questions were raised both as to——

(a) The conduct of defense contractor consultants (some of whom appear to have been directly implicated in the investigation); and

(b) Possible conflicts of interest of consultants to the Department of Defense itself.

What measures do you propose to take to improve oversight and control of consultants in the defense field?

Mr. TOWER. The Department has several initiatives underway to improve oversight and control of consultants:

The cost principles governing allowability of consultant costs are being revised and will be incorporated into the Federal Acquisition Regulation.

The results of the Defense Contract Audit Agency's expanded special audit of consulting costs will be provided to contract administrators to support overhead rate negotiations with the audited contractors.

The Office of Federal Procurement Policy's expected policy statement on consultants' conflicts of interest, required by the FY89 DOD Appropriations Act, will be considered and applied as appropriate to DOD's use of consultants.

The Federal Acquisition Regulation is being revised to implement Section 27 of the Office of Federal Procurement Policy Reauthorization Act, "Procurement Integrity," which requires certifications that no unauthorized source selection sensitive information has been obtained from the government during the course of a procurement.

Other appropriate actions will be taken as necessary.

Senator LEVIN. Should DOD consultants be required to disclose related work that they are doing for private clients so that the Department of Defense can determine whether there is a potential conflict of interest? If the answer is yes, what steps will you take to ensure that such information is made available to contracting officers?

Mr. TOWER. Consultants' disclosure of potential conflicts of interest raised by their work for private clients and DOD is appropriate. The Department is working with the Office of Federal Procurement Policy to prepare the policy guidance on consultants required by the fiscal year 1989 DOD Appropriations Act to address this issue.

Senator LEVIN. Do you think DOD should use consultants to perform core government functions such as establishment of source selection criteria and evaluations of bids? What do you think the limits in functions should be regarding DOD's use of consultants?

Mr. TOWER. Government personnel generally should perform core governmental functions. The assistance of consultants may, of course, be useful to government personnel in performing their functions. Consultants should not be assigned governmental functions in which their private interests would conflict, or appear to conflict, with public interests.

Senator LEVIN. Do you support registration of DOD consultants and/or consultants to defense contractors? How should such a registration program be conducted?

Mr. TOWER. A method of registering consultants that (1) elicits information necessary for identification of potential conflicts of interest resulting from a consultants work for DOD and third parties, and (2) is not unduly burdensome, would be appropriate for review.

Senator LEVIN. Do you plan to undertake a review and clarification of DOD rules regarding the disclosure of procurement and planning information to defense contractors?

Mr. TOWER. A number of initiatives are under way or planned to address the relationships between departments and agencies and their contractors.

The Department of Defense has begun a review of policies on release of planning and procurement data.

The recently enacted Office of Federal Procurement Policy Reauthorization Act established new ethics restrictions applicable to employees and contractors. Regulations will be issued to implement these restrictions.

President Bush announced on January 12 that he would establish a bipartisan panel on ethics that will review ethics in government and make recommendations for improving the legal and regulatory framework governing the conduct of Federal employees.

Senator LEVIN. Will you be prepared to discipline DOD officials who leak inside information or otherwise show favoritism to particular contractors, even if this favoritism is not illegal?

Mr. TOWER. The Department of Defense will fully and faithfully execute laws applicable to its activities, including acquisition. The Department will also observe codes of conduct and ethical principles as they apply to acquisition.

Favoritism in acquisition is unacceptable and will not be tolerated. It is a gross breach of trust—the trust of the American taxpayers who foot the bill and the trust of America's fighting men and women whose lives may depend on the material being acquired.

DOD officials who breach acquisition laws, rules and regulations will be subject to criminal, civil or administrative sanctions through the applicable adjudicative processes.

Senator LEVIN. What other measures, if any, do you think would be appropriate to increase controls over the improper flow of information from DOD officials to defense contractors?

Mr. TOWER. Instilling in all personnel of the Department of Defense a sense of personal accountability will be a primary function of the Department's civilian and military leadership. That accountability extends to information to which DOD personnel have access in the performance of official duties.

Departmental personnel performing Inspector General functions have a special duty to ensure the integrity of the acquisition process. They will be responsible for aggressive programs to verify proper protection of official information.

Senator LEVIN. In December 1988 the Department of Defense issued a "Contractor Risk Assessment Guide" ("CRAG"), containing suggested internal control systems for defense contractors to prevent false claims, labor mischarging, and similar offenses. Secretary Carlucci has recently suggested that these internal control systems should be made mandatory for major contractors.

Do you believe that the CRAG is a good approach to reducing fraud, waste, and abuse by defense contractors? Do you agree that this system should be made mandatory for major contractors?

Mr. TOWER. The CRAG is a reasonable approach for improving oversight of defense contractors. The CRAG program is aimed at strengthening DOD oversight through improved reliance on contractor internal control systems. The program encourages contractors to establish and maintain effective internal controls in the areas of labor charging, indirect cost submission, material management and accounting systems, estimating systems, and purchasing. It places more responsibility on the contractor to prevent incidents of fraud, waste, and abuse. Increased reliability of contractor internal control systems should permit DOD to use its own audit resources more efficiently.

Secretary Carlucci recently directed that a regulation be drafted to establish a Code of Conduct Program that would be mandatory for all contractors receiving DOD contracts of more than $25,000. He did not direct that the CRAG program be mandatory. Any decision whether to convert CRAG from voluntary to mandatory should await experience with CRAG under the voluntary regime.

Senator LEVIN. The suspension and debarment process is one of DOD's primary tools for protecting itself from unscrupulous contractors. In recent years, there have been a number of cases which DOD subcontractors have provided the government with defective products. In some of these cases, the subcontractors have been suspended or debarred from further receiving future contracts.

Will you support strong procedures to prevent DOD's prime contractors from placing subcontracts with suspended or debarred companies?

Mr. TOWER. The Department of Defense has proposed to the Civilian Agency Acquisition Council an amendment to the Federal Acquisition Regulation to prevent prime contractors from awarding subcontracts to debarred or suspended contractors. The proposed regulation would ensure that contractors cannot by subterfuge defeat suspensions and debarments. The proposed regulation would permit DOD to make exceptions on a case-by-case basis. Such an exception requires a prior written submission by the prime contractor detailing compelling reasons for an award to such subcontractors and identifying procedures and systems the contractor has established to protect the government's interests.

If the CAAC agrees with the proposal, this amendment to the acquisition regulation will be published in final form.

Senator LEVIN. Whistleblowers can serve as an important check on fraud, waste, and abuse by identifying potential problems and abuses at an early stage.

Do you support the right of DOD employees to communicate freely with the Congress, the Inspector General, and various law enforcement agencies when they believe they have evidence of fraud, waste, or abuse within the agency?

What measures will you take to assure potential whistleblowers within DOD that they will not be retaliated against because of their disclosures?

Mr. TOWER. Whistleblowers—those who identify and report mismanagement, fraud, waste and abuse—deserve the thanks of the Nation. They assist in assuring that American taxpayers' dollars are spent efficiently and effectively.

The Department of Defense supports fully the freedom of its employees to communicate about mismanagement, fraud, waste or abuse in accordance with applicable law with Congress, Inspectors General, and law enforcement agencies. Employees have not only the freedom, but in many cases the legal duty, to report misdeeds of which they become aware.

Federal laws providing protection against reprisal for whistleblowing military, civilian and contractor personnel will be fully and faithfully implemented to protect whistleblowers.

Senator LEVIN. In the past 10 years, the Department of Defense has done several studies of the profitability of defense contractors. However, these studies have been done on an ad hoc basis, using a different methodology each time. The changing methodology of the studies and the irregular basis on which they have been done has made it more difficult to assess the impact of DOD policies on defense contractor profitability.

The Defense Authorization Act for Fiscal Year 1989 requires DOD to establish and review, on a regular basis, an integrated financing policy, covering progress payments, profits and contract risk. The Office of Federal Procurement Policy (OFPP) Reauthorization Act of 1988 requires OFPP to develop a consistent methodology that executive agencies should use to measure contractor profitability.

Do you believe that regular DOD studies of contractor profitability, performed on the basis of a consistent methodology would be helpful in establishing and reviewing the Department's integrated financing policy? As Secretary of Defense, will you be an advocate for profit studies? Will you direct the use in such studies of the consistent methodology to be developed by OFPP?

Mr. TOWER. Studies of contractor profitability that use a consistent methodology would be of use in reviewing the Department's integrated financing plan. The Department should conduct periodic studies of contractor profitability.

Both the Fiscal Year 1989 Defense Authorization Act and the OFPP Reauthorization Act require the development of a methodology for analyzing contractor profitability. The Defense Authorization Act requires the establishment of an advisory committee to recommend a financial analysis methodology to the Secretary of Defense to be used for any future profit studies conducted by DOD. OFPP has agreed to participate on the DOD advisory committee, and thus a mutually acceptable methodology should be developed that the Department could use in future profitability studies.

Profitability studies focus attention on profits earned and on noncompetitive contracts, which constitute about 25 percent of the contract dollars awarded by the Department. The most important issue is how to reduce the prices paid for goods and services while maintaining quality. In order to reduce the prices it pays, the Department should continue to examine systematically business, contractual, and technical aspects of procurements for opportunities to eliminate unnecessary requirements, streamline and simplify the way it does business, encourage competition, and improve quality.

Senator LEVIN. A number of independent procurement experts have advocated DOD's increased use of commercial products as a method of reducing procurement costs. Section 907 of the Defense Authorization Act for Fiscal Year 1987 established an express preference for the purchase of "nondevelopmental items" that could be made available with minor modification of items that are available in the commercial marketplace. However, DOD has continued to develop its own detailed specifications for items that could be purchased in the commercial marketplace.

How strong a priority do you intend to place on increasing DOD's use of commercial products and non-developmental items? What impediments do you see to the increased use of such products? What steps do you plan to take to overcome these impediments?

Mr. TOWER. The use of non-developmental items is receiving high priority in DOD. The Department has issued an acquisition regulation to promote the use of these items and has increased the number of non-government standards available in order to reduce reliance on military specifications. DOD is also using more purchase descriptions, rather than specifications, to buy commercial products. Further use of non-developmental items and purchase descriptions will be encouraged.

Senator LEVIN. On several occasions in recent years, DOD has chosen to pursue concurrent development and production of major defense systems. Because the system's design is not fixed when production begins, concurrency can significantly increase cost and schedule risk.

Do you believe that the concurrent development and production of major systems is a good practice? What measures, if any, do you plan to take to minimize the use of concurrency and/or the resulting costs and schedule risk?

Mr. TOWER. Concurrent development and production can, but does not inevitably, cause costs and schedule delay problems. A well-conceived and implemented concurrent development and production strategy can be an effective tool to correct the long lag-time noted by the Packard Commission in fielding major weapons systems.

An August 1988 Congressional Budget Office (CBO) study found "no strong relationship" between concurrency and schedule delay. CBO examined 14 weapons systems and found only one case—the Copperhead—that suffered substantial schedule slippages because of its concurrent development. In addition, the CBO study found only a "modest relationship" between concurrency and cost growth. Examining the same 14 weapons systems, CBO found only one case—the Patriot missile—where substantial costs growth could be traced to concurrent development.

Concurrent development and production has in some cases gone awry and should be, in general, the exception rather than the rule.

Senator LEVIN. In testimony before this committee in July 1988, David Packard derided meaningless "paperwork" competition in which contractors are required to meet "a bunch of 'mickey mouse' requirements that have absolutely nothing to do with doing the job right." Do you agree with that statement? What do you think are some of those "mickey mouse" requirements? How do you plan to address these requirements?

As Secretary of Defense, what steps will you take to ensure that competition is real, and not focused on artificial "paper work" requirements?

Will you advocate competitive prototype strategies, under which prototype systems or subsystems are subjected to comparative testing using combat performance requirements? If so, what measures will you take to ensure that such strategies are applied?

To what extent do you think it is useful for DOD to use performance specifications, rather than design specifications, for major systems and subsystems? If so, what measures will you take to ensure that such strategies are applied?

Mr. TOWER. The Department of Defense must redouble its efforts to eliminate unnecessary paperwork facing contractors.

In many cases performance specifications, rather than design specifications can be used, encouraging appropriate creativity and innovation.

Competitive prototyping strategies may also prove useful in some cases. In certain situations, however, the costs of prototyping may outweigh its benefits.

The Under Secretary of Defense for Acquisition, with the Service Acquisition Executives, will be responsible for ensuring that performance specifications and competitive prototyping strategies are appropriately used.

Senator LEVIN. Last summer, Secretary Carlucci testified before this committee that structural problems with the DOD acquisition process, including the existence of too many "intervention points" for defense contractors, create incentives for such contractors to—"(1) concentrate on short-term profits at the expense of long-term investment; (2) divert funds and management attention to trying to intervene in congressional and DOD decisions; and (3) aggressively seek information and access affecting contract awards, through consultants or other means."

Secretary Carlucci suggested that unnecessary "intervention points" could be reduced by a new policy strictly limiting the use of multiple "Best and Final Offers" (BAFOs) in the award of competitive contracts. Do you believe that a strict limitation on the use of multiple BAFOs is an appropriate response to this problem? Do you have proposals for change in this area?

Mr. TOWER. A strict limitation on the use of multiple requests for "Best and Final Offers" is a way to address the problem of too many intervention points in the acquisition process. The Department of Defense issued a new regulation to control the use of multiple BAFOs in August 1988 as an amendment to the DFARS. The new policy requires close monitoring and control at appropriate managment levels in order to avoid auction techniques, enhance protection of source selection sensitive data, and ensure fairness and promptness in contract awards.

There are other ways the current system can be changed to effect acquisition improvement. Biennial budgeting, multiyear procurement, and baselining are the most significant structural changes required. The cooperation of the Congress on biennial budgeting and multiyear procurement will be essential to achieve efficiency and cost savings.

Senator LEVIN. Section 1207 of the Defense Authorization Act for Fiscal Year 1987 established a goal of awarding 5 percent of DOD contract dollars to socially and economically disadvantaged small business. In recent years, DOD has awarded only 3 percent of its contract dollars to socially and economically disadvantaged small businesses.

Do you believe that the 5 percent goal is realistic?

What steps do you intend to take to meet this statutory goal?

Mr. TOWER. The Department of Defense has the same obligations as other departments and agencies to carry out the Federal commitments to assist disadvantaged small businesses and to ensure that taxpayers' dollars are used with maximum efficiency. The Department will work to enhance the opportunities for small disadvantaged businesses to participate in a larger share of its prime and subcontract procurement opportunities, to make progress toward the 5 percent goal.

Senator LEVIN. Section 901 of the Defense Authorization Act for Fiscal Year 1987 created a new Under Secretary of Defense for Acquisition and gave him the authority "to direct the Secretaries of the military departments and the heads of all other elements of the Department of Defense with regard to acquisition matters." The first Under Secretary of Defense for Acquisition, Richard Godwin, resigned after complaining that his authority had been undermined by the Deputy Secretary of Defense and the Service Secretaries.

Do you believe that it is important to have a single DOD official who is responsible for establishing the Department's acquisition policies and supervising acquisition throughout the Department?

Do you intend to give the Under Secretary of Defense clear authority over the services on acquisition matters? Will this include the authority to direct the service Secretaries as to decisions on particular procurements?

How strong of a priority will you be placing on finding a strong and effective Under Secretary of Defense for Acquisition?

Mr. TOWER. The Under Secretary of Defense for Acquisition (USD(A)) will work closely with the Service Acquisition Executives (SAEs) to streamline the acquisition organization and provide clearer lines of communication for program managers. The Department is reorienting its activities to facilitate the streamlining.

The USD(A) has the authority to direct the Secretaries of the Military Departments with regard to matters for which the Under Secretary has responsibility. The USD(A) currently chairs the Defense Acquisition Board of which the Service Acquisition Executives are members. The USD(A) works closely with the SAEs on acquisition matters. The USD(A) would appear to have appropriate authority to perform the USD(A) duties effectively, but this issue will be reviewed in coming months to ensure the effectiveness of defense acquisition.

The essence of the Packard Commission acquisition improvement program is to find the right people, train them well, give them the authority to do their jobs, give them short lines of communication and adequate staffs, and hold them accountable for results. The Department of Defense will implement this approach.

Senator LEVIN. The Packard Commission recommended that each service have a full-time Service Acquisition Executive. In the last Administration, the Air Force was the only military department to follow this recommendation—the Army and the Navy each designated their Under Secretaries to serve as Acquisition Executive.

Do you believe that it is important for each military department to have a single official who is responsible for establishing the acquisition policies and supervising acquisition throughout the department? Should this be a full-time job?

As Secretary of Defense, will you require each military department to designate a full-time Service Acquisition Executive?

Mr. TOWER. The Service Acquisition Executives play critical roles in the defense acquisition process through establishment of service acquisition policies and supervising service acquisition. The Secretaries of the Military Departments will be held strictly accountable to the Secretary of Defense for the performance of the Service Acquisition Executives they designate.

Senator LEVIN. Section 138 of Title 10 establishes an independent Director of Operational Test and Evaluation (OT&E) within DOD to ensure that operational testing and evaluation in the Department are realistic and unbiased. The General Accounting Office recently reported that OT&E reports fail to provide a complete and accurate picture of weapon performance and are systematically biased to show a more favorable assessment than is likely to be found when the weapons are employed in combat conditions. Do you agree with that assessment? Do you see any failings in the testing operation? If so, what are they and how can they be corrected?

Do you agree that realistic and unbiased operational testing and evaluation is an essential element of any responsible procurement process?

Do you believe that an independent office of OT&E is an effective means of achieving realistic and unbiased operational testing and evaluation?

What measures do you intend to take to ensure that OT&E reports are realistic and unbiased?

Mr. TOWER. Realistic and unbiased operational testing and evaluation is an extremely important element of the acquisition process. Comprehensive test planning and execution in an environment simulating combat conditions, within the limits of resources, safety and security, is a critical function. The Department of Defense's Director of Operational Test and Evaluation (OT&E) is charged by law with performing that function. His job is to determine whether weapons systems do what they are supposed to do.

The Director, OT&E provides his assessment of weapons systems to the Secretary of Defense and the Under Secretary of Defense for Acquisition, thus ensuring that senior acquisition decisionmakers have direct access to independent and accurate assessments of those systems.

The Director, OT&E should report immediately to the Secretary of Defense any effort to improperly influence his judgment.

Senator LEVIN. Each of the Military Departments has an internal audit organization, charged with performing independent reviews and evaluations of the effectiveness and efficiencies with which the Services carry out their responsibilities. Recent General Accounting Office (GAO) reviews of the activities of the service audit agencies have revealed serious deficiencies in audit planning, execution and reporting. The GAO also found that the close relationship between the audit agencies and the management of the Military Departments "could cause a perception of impaired independence."

Do you agree with the GAO's assessment? Do you believe that a strong independent audit function is important to the efficient operation of the military departments?

Mr. TOWER. Strong, independent and effective audit organizations in the Department of Defense are essential. The audit organizations of the Military Departments will continue to contribute substantially to operating efficiencies and management improvements.

The internal audit organizations of the military departments play a vital role in conducting independent reviews and evaluations of the activities of their respective departments. Their work assures the senior managers of the military departments that departmental responsibilities are being executed effectively and identifies needed improvements. The quality of the audit organizations' work depends in part upon their professional independence, and that independence will be preserved.

The Inspector General of DOD has oversight and policy responsibility for all DOD audit organizations. This IG function, coupled with the direct access of the Service Auditors General to their service Secretaries, is designed to ensure the independence of the service audit organizations.

The Inspector General of the Department of Defense in 1986, and the General Accounting Office in 1987, conducted oversight reviews of the service audit organizations. They disclosed particularly serious concerns with the Naval Audit Service. In response to IG/DOD and GAO recommendations, the Naval Audit Service has increased the training available to its auditors and replaced certain less-experienced military supervisors with more-experienced civilian supervisors. The DOD Inspector General plans to conduct a follow-on review in the coming months to determine whether the problems have been satisfactorily corrected.

Senator LEVIN. Virtually every recent review of the defense acquisition system has concluded that we need to increase the professionalism of the acquisition work force. Reform proposals have included everything from establishing a separate civilian acquisition agency for all the services to creating a career acquisition force within each service.

Do you believe that we need to increase the professionalism of the DOD acquisition work force?

Do you support the establishment of an independent civilian acquisition agency and the unification of procurement for all the services?

Do you support the creation of a career acquisition force within the military?

What other steps would you advocate to enhance the professionalism of the acquisition work force?

Mr. TOWER. DOD has taken steps toward further professionalism of the DOD acquisition corps. The Department worked with OPM to establish a requirement for 24 hours of business-related courses for entry level contracting personnel and to improve acquisition personnel qualification standards. The Department has directed that the Defense Systems Management College coordinate all acquisition education programs and has also issued a manual outlining acquisition career paths and education requirements. Experience criteria and mandatory training requirements are being established for military and civilian program managers and contracting personnel.

The establishment of an independent civilian acquisition agency and unification of procurement for all Services have a number of significant disadvantages. Above all, the authority and accountability of the chain-of-command must be preserved. Measures DOD has taken and plans to take will enhance the effectiveness of the acquisition system and our acquisition personnel.

Senator LEVIN. During hearings held in July before the Subcommittee on Oversight of Government Management, DOD promised to correct serious failings in safety programs governing DOD-funded research related to chemical warfare and defenses to biological warfare. Dr. Thomas J. Welch, Deputy Assistant to the Secretary of Defense (Chemical Matters), promised to institute such improvements as issuing new chemical and biological safety regulation, establishing a "Central Biological Defense Safety and Security Office" to mirror existing DOD chemical safety offices, requiring contractors performing defensive biological research to follow safety regulations and undergo safety inspections, opening DOD research facilities to safety inspections by OSHA, and devoting increased resources to safety concerns.

Would you, as Secretary, implement the promises made at the July hearings to improve safety controls on DOD-funded research related to chemical warfare and defenses to biological warfare?

Would you support establishing a separate biosafety office, within DOD, which mirrors the existing chemical safety office? Would you support staffing this office with biosafety specialists whose duties would include conducting safety inspections and providing biosafety information to DOD facilities?

Mr. TOWER. Safety must be a top-priority concern with US chemical and biological defense programs. The Department of Defense has taken care to ensure that safety.

Currently, the Director for Army Safety is the central authority and focal point for all aspects of the Army Safety Program, which applies to chemical and biological programs. The Director has been responsible for establishment and oversight of the biological defense safety program managed by the Army Safety Office. The biosafety program has been developed to match more closely the chemical safety program.

The organization of defense chemical and biological safety functions should be reviewed.

Senator LEVIN. In June 1988, the Committee on Government Operations issued House Report 100-728 which describes serious deficiencies in the management structure of the Strategic Defense Initiative Organization (SDIO), including their failure to institute an internal management control system required by the Federal Manager's Financial Integrity Act and the failure to maintain an adequate and authoritative database on SDI contracting activities, despite SDI appropriations totaling more than $12 billion.

Are you familiar with this report? Do you have any proposals for improving SDIO management controls?

Mr. TOWER. A key issue outlined in House Report 100-728 was the lack of an Internal Management Control (IMC) Program within the SDIO. To ensure effective implementation of an IMC Program, SDIO established a management division to fully develop and implement the program in fiscal year 1987 and fiscal year 1988. The Director, SDIO, prepared the Annual Statement of Assurance for both fiscal years stating compliance with the Federal Management Financial Integrity Act. The DOD Inspector General conducted a review of the IMC Program in August 1988, and certified SDIO compliance with the Act.

Senator LEVIN. There is some suggestion that SDIO does not plan to provide complete, authoritative data on its contracting activities prior to fiscal year 1988. As Secretary, would you require SDIO to provide complete and authoritative information on its contracting activities since its inception in 1985?

Mr. TOWER. SDIO is committed to providing complete and authoritative data on contracting activities since its inception.

During the past year, SDIO has made major improvements in the amount of contract data collected in its contract base. The number of records in the data base has increased from 8,000 to over 14,000 since March 1988. The DD Form 350 data on SDIO contracts also will be provided to the Federal Procurement Data System for use in accordance with the system's normal procedures.

Senator LEVIN. The Federal Advisory Committee Act (FACA), 5 USC App. 2, imposes cost and management controls on Federal agencies that establish or utilize advisory committees. DOD has established at least 60 advisory committees. Hearings before the Governmental Affairs Committee in 1988 demonstrated weakness in DOD's overall compliance with FACA, as well as a complete breakdown within SDIO. DOD has promised to improve its FACA compliance. Do you support the goals of FACA and would you, as Secretary, require rigorous compliance with that statute? Would you support an effort to amend FACA to clarify and strengthen the ethical constraints on federal advisory committee members?

MR. TOWER. The overall goal of the FACA is to provide federal agencies, including the Department of Defense, with the ability to consult the Nation's experts on a wide array issues while preserving the confidence of the public in the process of Government.

The Department of Defense must fully and faithfully execute statutes applicable to its activities, including the Federal Advisory Committee Act.

The issue of changes in ethical constraints on members of Federal Advisory Committees should be addressed on a Government-wide basis.

[Whereupon, at 5:32 p.m., the committee recessed, to reconvene at 9:30 a.m., Thursday, January 26, 1989.]

NOMINATION OF JOHN G. TOWER TO BE SECRETARY OF DEFENSE

THURSDAY, JANUARY 26, 1989

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

The committee met, pursuant to notice, at 9:34 a.m., in room SR-325, Russell Senate Office Building, Senator Sam Nunn (chairman) presiding.

Committee members present: Senators Nunn, Exon, Levin, Kennedy, Dixon, Gore, Shelby, Warner, Thurmond, Cohen, Wilson, McCain, Gorton, Lott, and Coats.

Committee staff members present: Arnold L. Punaro, staff director; Andrew S. Effron, general counsel; Marie Fabrizio Dickinson, assistant chief clerk.

Professional staff members present: Robert G. Bell, John J. Hamre, James R. Locher III, and David S. Lyles.

Minority staff members present: Patrick A. Tucker, minority staff director and counsel; Romie L. Brownlee, deputy staff director for the minority; Inga B. Schoonover, special assistant; Robert F. Bott, Brian D. Dailey, Jonathon L. Etherton, Judith A. Freedman, George K. Johnson, Jr., and Mark B. Robinson, professional staff members.

Staff assistants present: Barbara L. Braucht, Barbara Gallo, Elizabeth Ann Harlow, Lori M. Jackson, Kelli Pronovost, and Debra A. Rice.

Committee members' assistants present: Jeffrey B. Subko, assistant to Senator Exon; Gregory J. Weaver, and Linda Gustitus, assistants to Senator Levin; William J. Lynn, assistant to Senator Kennedy; Charles C. Smith, assistant to Senator Dixon; Milton D. Beach, assistant to Senator Glenn; Leon Fuerth, assistant to Senator Gore; Terrence M. Lynch, assistant to Senator Shelby; Dale F. Gerry and Christopher K. Mellon, assistants to Senator Cohen; and Mark J. Albrecht, assistant to Senator Wilson.

OPENING STATEMENT OF SENATOR SAM NUNN, CHAIRMAN

Chairman NUNN. The committee will come to order.

We resume our confirmation hearings today for John G. Tower, to be Secretary of Defense, and we welcome our nominee back today.

As we discussed briefly in our closed session yesterday morning, as well as the open session yesterday afternoon, the committee seems agreeable to having Senator Warner and myself establish a

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record on the information related to the conflict of interest or perception of a conflict of interest. This would be done in a series of questions to the nominee from us.

This information is already, of course, available to the committee, but I believe it ought to be part of the public record. I think for the public to understand the nature of the questions that will be asked, the conflict of interest answers that will be given and, most importantly, in this case, the possible perception of conflict, it is necessary that we lay this foundation.

After this information is developed, Senators who desire to ask followup questions will certainly be permitted to do so.

After the conflict of interest issues are covered, there are five Senators who did not have an opportunity for first round questions. If they are here, we will start with them this morning, and if not then, this afternoon. Then we will go back to our normal early bird rules for a second round of questions and a third round of questions on policy, if necessary.

It is my anticipation that we will be in for most of the day, with the exception of a decent break for lunch.

Senator Warner, if that is agreeable, and unless you have opening comments on this, I will proceed with the conflict of interest foundation.

Senator WARNER. Why don't you go ahead.

Chairman NUNN. I would like to read into the record a list of primary documents that the committee staff examined in detail in preparing our analysis of the conflict of interest area. These documents are, first, the committee questionnaire, which contains certain proprietary information. Second is the letter from the nominee to the chairman, and I would think that the Senator would not have any objection to releasing that. But that is his call. I want to make as much of this public as we can.

Next is the financial disclosure form, the SF-278 form and the related opinions from the Office of Government Ethics and the Office of General Counsel, Department of Defense.

Next is the SF-278 form for 1986, when Senator Tower served as Arms Control Negotiator.

Next are the SF-278 forms on file in the Senate Office of Public Records, which were made in 1983 and 1984.

Then we also have tax filings for 1985 to 1987, which are, of course, private. But any member of the committee will be able to examine those if they choose to. They are in the committee's executive files.

Next is Senator Tower's consulting agreements with defense contractors. These are proprietary documents and they are in the committee's executive files.

Next is the filings under the Federal Regulation of Lobbying Act. As far as I know, that could be made public.

We also have copies of letters, reflecting Senator Tower's termination of his various contracts, particularly with defense contractors. I don't know of any reason that can't be made public. But we will discuss that with Senator Tower first.

I think it is important to get it on the record as a matter of substance, if we can.

Mr. TOWER. I have no objection to that, Mr. Chairman. Those are very simple letters.

Chairman NUNN. Next is documentation prepared by the Office of the Counsel to the President. Again, I believe that can be made public.

We have not completed all of our discussion on this, but I am going to make as many of these public as we can.

[The pertinent information is contained in the "Summary of Work Performed for Consulting Clients," which is set forth on the following pages.]

Finally, the campaign fund expenditure filings, which cover the period from 1985 to 1987. I believe that already is public.

Mr. TOWER. That already is a matter of documentary record.

Chairman NUNN. So, without objection, this list will be entered into the record, and we will make available during the day for consultation with the Senator's staff and White House counsel all of the documents that we can make public. Certainly we cannot reveal the tax records and we will not be revealing proprietary information.

[These documents will be listed in their entirety in the Appendix.]

Chairman NUNN. Senator Tower, I have four basic questions here that will, hopefully, elicit from you the information which I would call the requisite foundation for further questions on conflicts of interest, or potential or perceived conflicts. I will ask all four of the questions and perhaps you then will be able to answer these questions for the record.

First, I would like to get from you the names of the defense industry clients and the dates of your association with each one of those defense industry clients.

Second, what was the general nature of the duties performed by you for these companies?

Third, for each company, what specific Department of Defense programs, projects, and activities, if any, were the subject of your services?

Finally, in this first group of questions, for each company, what compensation did you receive each year?

Mr. TOWER. Mr. Chairman, may I just incorporate the answer to all four with each individual company that I go through, so that I give all of the information requested in the four questions for each individual company that I name seriatim?

Chairman NUNN. Without objection.

Mr. TOWER. Mr. Chairman, let me first say that for each of my clients I was generally available by telephone or for private meetings to serve as a sounding board and to give advice on political or strategic developments in my clients' areas of concern.

Frequently, I was asked to make political assessments as to the general climate of the Congress on broad issues of concern, such as protectionist sentiment.

I make that over-arching statement to indicate that, other than the specific performance of various duties and activities, I was always available for advice. That's one of these intangibles that is not easily understood. This is to say, I was at the end of the telephone, if anybody wanted to talk to me.

Now, let me start with Hicks and Associates.

With Hicks and Associates, I was retained by them from May, 1987, to December 1, 1988.

May I note that in each instance, with each of these, my termination date was December 1, 1988.

I served as a sounding board and gave advice. By the way, I think that this sheet that I'm working from has been provided to members of the committee if they wish to follow it.

Chairman NUNN. I think we've all got a copy.

[The information referred to follows:]

SUMMARY OF WORK PERFORMED FOR CONSULTING CLIENTS

For each of his clients, Senator Tower was generally available by telephone or for private meetings to serve as a sounding board and give advice on political or strategic developments in his clients' areas of concern. Frequently, he was asked to make a political assessment as to the general climate in the Congress on broad issues of concern, such as protectionist sentiment.

- Astrotech International
  - Performed duties as member of the Board of Directors.
  - Served on Board of Directors of General Space, a wholly owned subsidiary.
  - Advised company on prospects for commercial entry into space.

- British Aerospace, Inc. (a subsidiary of British Aerospace, PLC) British Aerospace, Inc., a U.S. corporation, exists for the purposes of making sales for civil aviation, and providing maintenance and services for all commercial aircraft manufactured by British Aerospace and operated in the United States.
  - Performed duties as member of the Board of Directors.
  - Contacted domestic airline officials (Texas Air, American Airlines) about company's commercial aircraft products.
  - Contacted domestic airline brokers about used commercial aircraft.
  - Advised firm on feasibility of relocating existing Dulles facilities to Texas and contacted owners of potential site.
  - Served as company's representative at various social functions with potential commercial aircraft purchasers.
  - Advised firm on U.S. trade environment, including staff analysis of the Omnibus Trade Act of 1988.
  - Advised on opinions on currency fluctuation.
  - Recall no actions in connection with any defense activities.

- Hicks & Associates
  - Served as sounding board and gave advice as to political and strategic developments that would affect R&D funding.
  - Briefed firm on the implication of European defense industry cooperation.
  - Discussed with firm the implications of the INF Treaty.
  - Staff: advised firm on the nature of the reprogramming process, analyzed Congressional actions on Tacit Rainbow program, analyzed statutes and press accounts relating to Canadian nuclear sub issue.
  - No direct contact with any Hicks & Associates clients.

- Jeford -McManus International, Inc.

  - Discussed, analyzed, and monitored developments on AV8-B Harrier.
  - No direct contact with any Jeford-McManus International, Inc. clients.

- LTV Aerospace & Defense Co.

  - Monitored developments on C-Fin (C-29).
  - Visited Pakistani and Turkish government officials to promote those countries' procurement of MLRS.
  - Visited, with staff, the Grand Prairie facility to hear briefing on LTV systems in research and development and analyzed impact of INF on these systems.
  - Staff: contacted Congressional staff on behalf of LTV for C-FIN program, discussed European marketing strategy for ATACMS and F-5 avionics program, staff consulted with management on ELITE technology, prepared briefing paper on the Omnibus Trade Act of 1988.

- Martin-Marietta Information Systems

  - Discussed and attempted to ascertain status of FTS-2000 program.
  - Discussed with senior management the PRC "Long March" missile and its implications for U.S. satellite launch industry.
  - Discussed and analyzed potential top-line for defense budget.
  - Analyzed implications for senior management of 1988 Defense Authorization Bill language for SDI, MX, Midgetman.
  - Staff met with senior R&D and product managers on implications of INF Treaty and current START talks for firm's future product development, prepared briefing paper on the Omnibus Trade Act of 1988.

- Maxwell Communications

  - All activities related to private sector.
  - Assisted firm in acquisition of Armed Forces Journal.
  - Identified and contacted newspapers for friendly acquisition.
  - Performed relevant functions as Chairman of the Board of Pergamon Brassey's International Defense Publisher's, Inc. and Chairman of Armed Forces Journal, both subsidiaries of Maxwell Communications Corporation.

- Micronyx

  - Advised firm on marketing strategy involving sale of company's product (computer security soft/hardware).
  - Attended various computer trade seminars on behalf of company.
  - Staff analyzed recently enacted legislation relating to computer security.

- Rockwell International, Inc.

- Provided senior management with personal views on future funding of B-1.
- Staff performed analysis and prepared paper on Omnibus Trade Act of 1988; analyzed implications of arms negotiations talks and Congressional activity on SDI; briefed by company on HFAJS program and staff analyzed developments on program; discussed developments on TTTS program with Rockwell staff; staff met with Rockwell management to discuss future of Midgetman system.

- Textron, Inc.
  - Briefed senior management on defense and commercial future for V-22. Attended V-22 roll-out.
  - Discussed and analyzed potential top-line for defense budget.
  - Met with senior management to discuss implications of INF and other arms control negotiations on company's future product development.
  - Discussed possible new production facility for company in Texas with firm and Texas developer.
  - Staff prepared briefing paper on implications of the Omnibus Trade Act of 1988.

Mr. Tower. I served as a sounding board and gave advice as to political and strategic developments that would affect R&D funding. I briefed the firm on the implication of European defense industry cooperation; discussed with the firm the implications of the INF Treaty. My staff advised the firm on the nature of the reprogramming process; analyzed congressional actions on the Tacit Rainbow program; analyzed the statutes and press accounts relating to Canadian nuclear sub issues.

I had no direct contact with any Hicks and Associates clients.

My total compensation for that period was $75,000 in 1987; $79,167 in 1988; for a total of $154,167.

For Jeford-McManus International, Incorporated, I was retained by them from April to June of 1988, for a total compensation of $10,000.

I discussed and analyzed and monitored developments on the AV-8B Harrier. I had no direct contact with any Jeford-McManus International, Inc., clients.

For LTV Aerospace and Defense Company, I was retained by them from June, 1986, to November, 1988. In 1986—for LTV, instead of November, 1988, that should read December 1. For 1986, my compensation was $48,000; for 1987, $96,000; for 1988, $102,860, and that included some expenses, some billable expenses; for a total of $246,860.

For Martin Marietta Information Systems, I was retained from September 1987 to December 1, 1988. My compensation in 1987—wait a minute. I'm sorry. I failed to go through what I did for LTV Aerospace. So let me back up.

I monitored developments on the C-FIN, or C-29; I visited Pakistan and Turkish Government officials to promote those countries' procurements of the MLRS system, which, by the way, had been approved by our Government for sale to those countries. It is a NATO system.

I visited with the staff of the Grand Prairie facility to hear briefings on LTV systems and research and development, and analyzed impact on INF for these systems.

My staff contacted congressional staff on behalf of LTV for the C-FIN program, discussed European marketing strategy with the company for ATACMS and the F-5 avionics program. The staff consulted with management on the ELITE technology and prepared a briefing paper on the Omnibus Trade Act of 1988.

For Martin Marietta Information Systems, from September 1987, to December 1, 1988, compensation for 1987, $24,000; for 1988, $92,000; for a total of $116,000.

With them, I discussed and attempted to ascertain the status of the FTS 2000 program. I discussed with senior management the PRC Long March missile and its implications for the U.S. satellite launch industry. I discussed and analyzed the potential top line for the defense budget; analyzed implications for senior management of the 1988 Defense Authorization bill language for SDI, MX, and Midgetman.

My staff met with senior R&D and product managers on implications of the INF Treaty and current START talks for the firm's future product development and prepared briefing papers on the Omnibus Trade Act of 1988.

For Rockwell International, I was retained by them from July of 1986 to December 1, 1988. In 1986, my compensation was $60,000; in 1987, $76,500; and in 1988, it was $30,250.

I provided senior management with personal views on future funding of the B-1. My staff performed analysis and prepared a paper on the Omnibus Trade Act of 1988; analyzed the implications of arms negotiations talks and congressional activity on SDI.

I was briefed by the company on the FAJS program—that is the high frequency anti-jamming system. The staff analyzed the development on the program, discussed developments on the TTTS program with the Rockwell staff, and the staff met with Rockwell management to discuss the future of the Midgetman system.

For Textron Incorporated, I was retained by them from May, 1988, to December 1, 1988, for a total compensation, totally within the year 1988, of $70,000.

I briefed senior management on defense and the commercial future for the V-22; attended the V-22 roll-out; discussed and analyzed the potential top line for the defense budget; met with senior management to discuss implications of INF and other arms control negotiations on the company's future product development; discussed a possible new production facility for the company in Texas with the firm and with a Texas developer. The staff prepared a briefing paper on the implications of the Omnibus Trade Act of 1988.

Let me simply mention that I was also associated with British Aerospace, Incorporated, which is a subsidiary of British Aerospace, PLC, a U.S. corporation, which exists for the purpose of making sales for civil aviation and providing maintenance and services for all commercial aircraft manufactured by British Aerospace and operated in the United States. That corporation exists for their civil aviation business.

Chairman NUNN. Thank you.

I will defer to Senator Warner now for a series of questions, which will, again, be laying the foundation for further questions.

Senator WARNER. Thank you, Mr. Chairman.

Senator Tower, in the course of this work, did you receive any other form of compensation or benefit from these companies?

Mr. TOWER. No.

Senator WARNER. Do you have any equity, contingency arrangement, or any financial stake in these companies?

Mr. TOWER. I have none and I never have had any.

Senator WARNER. Have you terminated your relationship with each of the aforementioned firms?

Mr. TOWER. I have, as I indicated earlier.

Senator WARNER. Mr. Chairman, I think it would be appropriate for the record to reflect the letters that the nominee has provided the committee documenting the terminations.

Chairman NUNN. They will be admitted to the record, without objection. I would hope they could be made public. But we will await word on that.

[The information referred to is set forth in the Appendix.]

Senator WARNER. Do you have any continuing financial interest or any other relationship with any of these firms?

Mr. TOWER. I have none.

Senator WARNER. In the course of your duties, did you provide any of your clients with classified or source selection sensitive information?

Mr. TOWER. I did not.

Senator WARNER. Did you ever assist any of your clients in the preparation or submission of a bid or proposal?

Mr. TOWER. I did not.

Senator WARNER. In the course of your services to these companies, did you ever provide services to a subcontractor or client of any of these companies?

Mr. TOWER. I did not.

Senator WARNER. Mr. Chairman, that concludes the material that we jointly prepared for the initial questioning.

Chairman NUNN. Let me pursue one other part of that question, Senator Tower.

You answered in response to Senator Warner that you did not provide any of your clients with classified or source selection sensitive information, is that correct?

Mr. TOWER. That is correct.

Chairman NUNN. Did you have any knowledge, while you were a defense consultant, that such information was flowing to any of your clients?

Mr. TOWER. No.

Chairman NUNN. By that, I mean classified or source selection information.

Mr. TOWER. No. I had no knowledge of that. Any knowledge I may have had would have been something I read in the newspapers, and I don't even recall any of that.

But I had no direct knowledge myself.

Chairman **Nunn**. You have certainly read about the "Ill Wind" investigation?

Mr. **Tower**. Yes, ~~I~~ have.

Chairman **Nunn**. During the course of your employment with these companies, did you know that kind of activity was going on, either with the companies you represented, or in general?

Mr. **Tower**. I knew about the Ill Wind investigation. That came pretty late in my association with these various firms.

Now, I don't want to say anything about any of these individual firms because I don't know what the outcome of the Ill Wind thing is going to be. I was aware of the Ill Wind investigation.

Chairman **Nunn**. Was that before it was made public?

Mr. **Tower**. No—not until it was made public. No, I didn't have any head's up knowlege of that.

Chairman **Nunn**. Before the investigation was known to you, were you aware, yourself, that there was improper flow of information from the Pentagon to any of the contractors you represented?

Mr. **Tower**. Not specifically to any of the contractors I represented.

Obviously, there was street talk around town about what might be coming up in terms of Ill Wind. But I don't recall hearing the names of any of the contractors I was associated with being mentioned in that connection.

So the only thing that I would have known about that would have been in the public domain, would have been in the newspapers.

Chairman **Nunn**. You didn't have any information given to you or shown to you as a part of your job that was improper or improperly received from the Department of Defense?

Mr. **Tower**. No. No.

Senator **Warner**. Senator Tower, in the course of your work, which, as I judge here, conformed pretty much to what a consultant does, were there times when you entertained members of the Department of Defense—in other words, employees of the Department of Defense?

Mr. **Tower**. I've entertained members of the Department of Defense, but not on behalf of contractors.

As you know, Senator, I have many friends and former associates in the Department of Defense, just as I do in Congress. I think I have maybe picked up a lunch check for one or two of my old colleagues from time to time. But that was all out of my pocket, and nothing that would have been a billable expense to any of the people that I was retained by.

Senator **Warner**. With respect to gifts to employees of the Department of Defense, do you have any knowledge that your firm or perhaps yourself made any gifts?

Mr. **Tower**. I certainly never did myself. I have no knowledge of any of the firms I was associated with making gifts of any kind to people in the Department of Defense.

Senator **Warner**. How did you go about gathering the information that you felt was appropriate to counsel your clients on? Obviously, when you departed the Senate, you took a great corporate knowledge. But, as you well understand, these programs are fluid, decisions are made daily, and, therefore, you had to keep up to date.

So how would you go about gathering the information which you then subsequently correlated and provided your judgment on?

Mr. TOWER. Well, of course, I talked to my old colleagues in the Congress. I talked to people I know in the Defense Department. I talked to people in town, lawyers and lobbyists and others, who are knowledgeable in these matters. So it is just a general information gathering process, but never doing anything that was illicit or soliciting classified information or highly sensitive information from anybody in government.

Senator WARNER. So, throughout your career as a consultant—and I focus principally on your relationships with individuals who were employees of the Department of Defense—that flow of information from them to you, in your judgment, was always within the bounds of law?

Mr. TOWER. It was within the bounds of law and ethics.

Incidentally, from time to time I got legal advice on what I was doing. I wanted to make sure that I was functioning within legal and ethical standards.

Senator WARNER. Senator Tower, assuming that the Senate confirms you, there will come a time when you will advise the President with respect to such legislation as the President may feel is necessary in the area of ethics. There may well be a part of that advice to the President relating to employees of the Department of Defense who then return to the private sector.

Do you now have some thoughts that you might convey to this committee with respect to such advice as you would give to the President as to employees, their termination from the Department and return to the private sector?

Mr. TOWER. I believe in very, very strong ethical standards, and that would be my input.

To say what I would advise in detail is a little bit difficult for me now because I have to get into the problem and get a handle on it before I could, say, recommend any specific legislative proposals along that line. So I couldn't say what I would recommend in detail—but a high ethical standard and one that would reduce the likelihood, if not foreclose, anyone who has been in the Defense Department from profiting unfairly, unethically, illegally, or inordinately from that service in DOD.

Senator WARNER. Now, having conducted your business in accordance with the existing framework of laws, is it your judgment that those laws should be strengthened in any way?

Mr. TOWER. I think, in the light of what has happened, they should be.

Again, I am not prepared to prescribe in precise detail. That is something I would have to get into in more depth before I could.

Let me just raise one caution, however, and that is that we are trying to recruit people into government that follow the Nunn-Warner admonition to candidates Bush and Dukakis. I think that you have to draw these things carefully enough so that honest, hard-working people, who might want to engage in public service, are not so narrowly proscribed that we can't recruit the high class technical and managerial people that are required to meet the very standards that you all have set forth in your admonition.

I would just suggest that that is something that the Congress should look at when drafting appropriate legislation on this subject.

Senator WARNER. Well, I would hope that we would receive——

Mr. TOWER. I say, on the basis of some experience now in trying to recruit qualified people in the Department of Defense, that the pool narrows considerably when you consider the sacrifices that some of these people have to make.

Senator WARNER. Senator, I appreciate that. I am sure that the Congress will be reexamining the category of legislation commonly referred to as the "revolving door." But I think the advice of the President and yourself will be most helpful as we proceed in that endeavor.

I thank you.

Chairman NUNN. Senator Tower, one other question along this line from me and then I will defer to Senator Exon.

I am not one of those who believes we can afford to be so strict in our rules on conflict that we send nothing but inexperienced people who have no knowledge of defense to run the toughest department in the world. I think that is what you were just alluding to.

We have to have people who are knowledgeable and experienced. Inevitably, that means that you have to get some of them from industry.

Frankly, the difficulty here is not the fact that you have worked for a defense contractor or that you have been a consultant, but the number of them. I will have more detailed questions about how you go about handling yourself vis-a-vis these contractors on decisions that will be coming before you, as Secretary of Defense. So, it is the number of contractors.

We have had all sorts of occasions where an individual has come up and represented or been president of certain major corporations. But when there are five, six, or seven of the major corporations involved, if you were to recuse yourself on decisions for all of them, you couldn't be Secretary of Defense.

Mr. TOWER. That's right.

Chairman NUNN. It would be completely impossible.

The other part that I would like to get your comment on briefly——

Mr. TOWER. May I intervene with just one comment here, Mr. Chairman?

Chairman NUNN. Yes.

Mr. TOWER. Also, you might get several people in the Department who have been associated with different contractors, some with as many as two or three. If you apply that same, you know, too strict a recusal standard to all of them, then you'd get into a process, a sort of paralyzed decision-making process.

I just foresee that as a possible problem, depending on what standard of recusal is set.

Chairman NUNN. I would agree with that.

On the other hand—and there is another side of this—in a speech at Constitution Hall last month, President Reagan referred to what he called an "iron triangle" of institutions, composed of parts of Congress, the media, and special interest groups, which he said, quoting him, "Is transforming and placing out of focus our constitutional balance, particularly in the areas of spending and foreign policy."

The President charged that this "iron triangle had virtually shut off public debate" and that "special interest groups focus all of their resources and members on this line or that in the budget."

So, we have here a perception problem. The question of conflict is one; that usually relates to continuing financial interest. The other is perception.

How would you answer the question from just an ordinary member of the public who writes in and says how can Senator Tower be objective after receiving from three quarters of a million to $1 million in fees from these defense contractors over the last 2 years? How can he then be objective in protecting both the national security and taxpayers' interest?

Mr. TOWER. I think that what we are talking about here is a perception of an appearance of conflict.

I think I have established that there is no actual conflict, and I believe that has been signed off on, not only by DOD, the Office of Government Ethics, the White House counsel and the committee counsel as well. The committee counsel can correct me if I am not accurate on that.

I think that any continuing pattern of favoritism on the part of the Secretary or any other Departmental official might be construed, then, as inordinate influence on one's judgment by the people he used to work for, or be retained by.

But I think that there will always be people who will suspect anyone who has been formerly associated with the defense industry. As you pointed out, we are going to have people there who have been associated with the defense industry, just like Members of Congress are suspect from time to time on the part of the public because of various financial contributions that are made to political campaigns.

I can remember that from my own experience in getting some angry mail from some people saying we know who you received campaign contribution from, and you are unduly influenced by them. I don't believe that's true.

But some people are always going to be skeptical. But I think if you perform your job, you are going to be judged on your performance, and I'm going to be held accountable by the President of the United States. I'm going to be held accountable by you, and I think that you will be the first to detect any obvious pattern of favoritism or discrimination on my part, as far as former associates are concerned.

So, it's a matter of your overall performance and overall perception of how you do your job, I think, that makes that problem manageable.

Chairman NUNN. Well, I know you, so the problem for me is not one of fearing that you are going to do something improper on behalf of a client. I don't worry about that. I know you, and I know you to be an honest person.

But I do worry about the perception and it works both ways. Would you feel compelled to bend over backwards for clients that you formerly represented to the extent that those clients themselves would be treated unfairly?

Mr. TOWER. I think the likelihood is that, if anything, I would bend over backward.

Chairman NUNN. So the people who ought to be worried are the former clients? [Laughter.]

Mr. TOWER. Well, that may be true. You know, I've faced up to this problem when I was Chairman of the President's Special Review Board of having to inquire into and investigate the actions of a President to whom I was deeply loyal. It was not a pleasant experience, and I dealt with that as objectively as I could, because as I said in response to a question when I was appointed, I was questioned "How can you be objective, because of your loyalty to Ronald Reagan and your association with one of the principals in the case?"—who was a former staff member of mine—and my response was that my loyalty to my country transcends any of these loyalties, and I would simply repeat that today.

I think that in the past, my public life has been characterized by integrity. I don't believe that I have ever violated the trust of my stewardship of the people's power, and so I would have to stand primarily on my reputation as an honest public servant.

Chairman NUNN. Thank you, Senator Tower.

I would defer to Senator Warner for a follow-up, and then we'll begin the normal rotation.

Senator WARNER. Thank you.

As a follow-up, the flip side of that coin is that you are expected to come before this committee in a matter of weeks to work with the Reagan defense proposals, and to give follow-on President Bush defense proposals.

If you had not had the background that you have had, do you think that you could do this in such a way as to establish a credibility on behalf of the President and the Department of Defense before these committees of Congress?

Mr. TOWER. I'm not sure that I understand the thrust of your question.

Senator WARNER. In other words, we can't just reach out and get a totally untrained person, and expect them to hit the ground running?

Mr. TOWER. No, you can't.

Not consistent with the Nunn-Warner criteria, no. The President announced yesterday the appointment of Don Atwood as the Deputy of the Department, and of course he is associated with a contractor. Although we are looking over potential nominees for the Under Secretary of Defense for Acquisition, he almost certainly will have to be someone who has some defense industrial experience or he won't be able to manage that job.

Senator WARNER. Senator, let me refer you to the standing rules of the Senate.

Senate Rule 37, of which section 8 reads:

> If a member upon leaving office becomes a registered lobbyist under the Federal Regulation of Lobbying Act of 1946, or any successor statute, or is employed or retained by such a registered lobbyist for the purposes of influencing legislation, he shall not lobby members, officers or employees of the Senate for a period of 1 year after leaving office.

Did you comply with that Senate ethics rule?

Mr. Tower. I did, because as a matter of fact, I was back in the Government for 14 months, or a little more than that, after I left the Senate, in a different position.

Senator Warner. Thank you.

Chairman Nunn. I thank my colleagues on both sides of the aisle for their patience.

I felt that we needed to lay the foundation, and now I will shift to Senator Exon for his questioning.

Senator Exon. Mr. Chairman, thank you very much.

Senator Tower, welcome again to you this morning. So far, the only thing that particularly has startled me was the statement that you made a few moments ago, that you had picked up checks for the members of the committee. You never picked up a check for me—in fact, I always considered you pretty much of a tightwad. [Laughter.]

Mr. Tower. Now, you have a standing invitation to lunch. [Laughter.]

Senator Exon. I'm going to ask you a series of questions, because I think that we need to get to the bottom of some of these things for the record.

There is always the perception of the concerns about the revolving door. I happen to feel that any wrongdoing with revolving door problem is more likely to occur from underlings in the Department rather than the Secretary of Defense. Then there's no question but whatever action you take, if you are confirmed, will be placed under the microscope, and I have a lot of confidence that that is not going to be a problem with you.

Mr. Tower. If I may intervene at that point, Senator, let me add to what I've said by saying that once I depart the job as Secretary of Defense, on the assumption that I will be confirmed, I'm going to cross that Potomac heading west and I am not coming back here again.

As John Nance Garner once said, I'm not going to be associated, and I never intend to be associated, with any defense industry. I will probably be academically involved in national security issues, but not associated with any defense industry. So that is my intent.

Senator Exon. Senator Nunn brought up the now-famous statement by former President Reagan regarding the Iron Triangle. That was a pretty wide-sweeping statement. It was delivered, as I understand it, in the context of the Reagan administration not being successful in bringing the budget deficit under control as the President would like to have done.

Do you have any views as to whether or not there was a great deal of accuracy with regard to President Reagan's charge about the Iron Triangle?

Mr. Tower. I wouldn't want to try to make comment on President Reagan's speech.

I think that there is enough blame to go around, frankly. Everybody, the public, the Congress, the executive branch, the private sector—I think there is enough blame to go around.

I think we end up sort of pointing fingers at each other.

Senator Exon. Senator Tower, you have made several statements this morning regarding the fact that you terminated on December

1 last year all of your associations with the defense contractors you previously had represented.

Let me ask you this question, because I think it is important, at least for the record. Prior to December 1, let's say the week or 2 weeks prior to December 1, were there any actions that you took, or advice that you gave to any of these individuals, or anything that would affect their interest, that some might have felt should be handled before you terminated your association with them, and what was significant, and why did you pick December 1, 1988?

Mr. TOWER. I don't recall anything of significance or that might have been significantly helpful to them that would have occurred in the last 2 weeks of November.

I picked December 1 because that was the day—it was the day before, November 30, that I was summoned over to the Executive Office Building by Boyden Gray, the President-elect's counsel, to begin the process for my filing of appropriate papers, and the field investigation by the FBI. It was at that point that I was then assured, of course, that I was under serious consideration for the job. I didn't want to burn my bridges until there was some solid indication that the President was considering me, at least on a short list for the job as the Secretary of Defense and hence, that arbitrary date.

Senator EXON. Senator Tower, you know that my responsibilities on this committee are primarily in the area of the strategic forces and nuclear defense. I've spent a great deal of time in that area.

If you become Secretary of Defense, we'll be working on many very important, much of it highly-classified material in that particular area. I would say that primarily it seems to me you were involved in what we would generally refer to as conventional defenses, vis-a-vis strategic defenses.

Could you break that down for us? Would you say that 10 percent of your time, or 20 percent of your time was on strategic issues?

Mr. TOWER. No, I really couldn't put a percentage on it, because I was actually involved in both, and projections and prognoses, intellectual input on SDI, MX, and Midgetman, in addition to conventional systems that some contractors had a primary interest in.

So it's difficult for me to know how my time was divided on that, and I couldn't say.

Senator EXON. But it would be fair to say that you were involved in practically all of that, is that right?

Mr. TOWER. Yes.

Senator EXON. I thank you, Mr. Chairman. My time is up.

Chairman NUNN. Thank you, Senator Exon.

Senator Thurmond, you are next.

Again, for the members who came in a little late, what I would like to do this morning, to the extent possible is stay on the conflict of interest questions, so that we can have some continuity here, and so that we don't bat the questions back and forth.

And when we get through with the conflict of interest questions—and I intend to stay on this until we get through with all of the questions—then we will go back to policy.

Senator Thurmond.

Senator THURMOND. Mr. Chairman, thank you.

I think today that the questions asked on conflict of interest have covered the areas, so far as I am concerned.

I have great faith, in Senator Tower, and I am sure that he is doing nothing that is improper. I just want to say this.

I am strong for defense, just like you are. But one of the things that will inculcate confidence in the Pentagon is if we can eliminate the fraud over there.

In my opinion, any one little incident that comes up that shows there is dishonesty in any way in any form of government does more harm than anything I know.

Mr. TOWER. Senator, I agree.

And as I said yesterday, I would have zero tolerance for anybody that is caught at that.

Senator THURMOND. I presume when you become Secretary of Defense that you will call the decision-makers together, and give them a talk, and let them know how you feel, and let them know they will not stand for any dishonesty, they will not stand for taking advantage of the Government, and that the people, the taxpayers, will be protected in all matters pertaining to the Pentagon.

Mr. TOWER. That's good advice, Senator, and I will certainly follow it.

Senator THURMOND. Mr. Chairman, I don't have any other questions.

Chairman NUNN. Thank you, Senator Thurmond.

Senator Levin.

Senator LEVIN. Thank you, Mr. Chairman.

Senator Tower, first on the Ill Wind investigation.

The chairman asked you some questions on that. I just wanted to ask one additional question on that.

Have you advised or discussed either that investigation or the question of what information can properly be in the hands of consultants of contractors with any of your clients?

Mr. TOWER. I have not.

Senator LEVIN. When you were going through the numbers, the amount of money that you earned from these contracts in prior years, I don't believe you gave us the figure for British Aerospace.

Mr. TOWER. I didn't, because they are not—British Aerospace is not a defense contractor. May I provide that for the record?

Senator LEVIN. Sure.

[The information follows:]

Mr. TOWER. For 1986, $50,000, 1987, $100,000, 1988, $115,000, for a total of $265,000 for the life of my association with British Aerospace Inc.

Senator LEVIN. By the way, are they a subsidiary of a defense contractor?

Mr. TOWER. They are a subsidiary of British Aerospace PLC, which is both in the defense and in the commercial aviation business, just like Boeing. It's somewhat similar to Boeing.

Senator LEVIN. Could you tell us what your recusal policy is going to be? You have indicated to the committee on some of your written answers that you are going to recuse yourself in certain circumstances.

Could you outline that for us?

Mr. Tower. I have filed this with the committee, and so, I will reiterate what I have filed with the committee, and that will be the policy that I have set for myself.

I have no continuing financial interests in any of my former clients, no equity, and I've terminated my retention by them. I am advised by counsel that because I have no continuing financial interest in any contractors, that I am not required to recuse myself from any actions involving my former clients.

Now, this advice comes from the Department of Defense and the Office of Government Ethics, from the White House counsel and the counsel of this committee. So what we're dealing with, of course, is not actual conflict, but the perceptions of appearance of conflict.

Out of what I consider to be an abundance of caution—although I am not legally required to do so—I will refrain from participating in any suspension or debarment proceedings, should such proceedings ever occur, concerning my former clients, and will refrain from participating in any procurement matters involving the C-FIN program, which is a name describing a DOD effort to produce a replacement long-range flight navigational instrument inspection plane, a program for which I might have been considered to have been an active advocate.

I'm doing that only out of an abundance of caution, even though I am not legally required to do so. So, that is the policy I have set. Should anything else come up, I would judge on an ad hoc basis. If anything comes up that in my mind presents a problem, then I would make a decision on that on an ad hoc basis, but this would be my standard.

Chairman Nunn. If I could intervene for one moment, I am informed by our counsel that they did not intend to advise you as to their opinion, but said that it would be a matter for the members to decide, the conflict question.

Mr. Tower. I am just talking about the legal question. It was my understanding that they were not advising me, or serving as counsel to me. I didn't mean that.

But they saw no legal restraints. Now, if I am in error on that, I will withdraw what I said.

Chairman Nunn. Well, they did not intend to convey that impression, and I think maybe they may have done so.

Mr. Tower. Then if there are legal restraints, I would very much like to know about them.

Chairman Nunn. I don't think they have concluded at this point. The members haven't concluded.

Senator Levin. I take it there is an appearance problem in your mind in involving yourself in any debarment or suspension proceeding involving a former client, or involving yourself in the C-FIN matter, or else you wouldn't take this action that you are taking. Is that a fair statement, that you do acknowledge that there is an appearance?

Mr. Tower. I'm sorry, I'm not sure that I heard all that you said, Senator.

Senator Levin. In your mind, there could be an impression, in the public mind, that if you involved yourself in the C-FIN matter, or in the debarment or suspension of any former client, that there could be an appearance of a conflict.

Mr. TOWER. I don't know whether there would be or not.

This is a matter of bending over backward, in my view, and going beyond what at least, on the advice of other counsel, I am legally required to do.

Senator LEVIN. Does not that same impression possibly exist in the public mind if you make decisions which are favorable to a former client on a contract matter?

Mr. TOWER. Of course. I think you could expect that should I make a decision favorable to a former client, that will probably get more press coverage than should I make an even bigger decision that is very unfavorable to them, because that's the way the system works.

But I intend to be very, very objective. There will always be people who are skeptical of me, or people like me, who are strong defense advocates and who have been associated with the defense industry in one way or another.

I learned during the past 2 months that not everybody loves me. [Laughter.]

Senator LEVIN. It was worth going through this whole thing just to learn that, wasn't it?

Mr. TOWER. Well, I suspected it all along, but this brought it home to me very clearly.

But I suspect that there will always be skeptics. But I think that anybody who follows and measures my performance in public life will not come to that conclusion.

Again, I think that a great deal depends on how I perform my job.

Senator LEVIN. My time is up. Thank you.

Chairman NUNN. Thank you, Senator Levin.

Under the early bird rule, let me see—Mr. Coats?

Senator COATS. No questions, Mr. Chairman.

Chairman NUNN. Then the next Republican would be Mr. Gorton.

Senator GORTON. No questions.

Chairman NUNN. The next Republican would be Mr. McCain.

Senator MCCAIN. Thank you, Mr. Chairman.

Senator Tower, the publication of the assets of Members of the U.S. Congress is always the subject of annual publicity. If I remember correctly, you always used to get an honorable mention for declaring the least amount of money and income. Is that correct?

Mr. TOWER. Yes.

I don't know whether the public got the impression that I was either extremely honest or just a poor financial manager, but I think that I came out, certainly, in the lower 10 percentile of Members of Congress in terms of personal assets.

Senator MCCAIN. And that was true over a 22-year period, if I remember correctly?

Mr. TOWER. That's true.

Senator MCCAIN. Was there any substantial change in your personal wealth from the time you entered the U.S. Senate, which was in 1961 I believe, until the time of your retirement?

Mr. TOWER. The change was that I was not in debt when I came to the Senate. I was a college professor—assistant professor was my rank, at Midwestern State University in Wichita Falls, TX, and I taught a 15-hour load every week, for which I was paid the magnificent sum of $6,000 a year.

I came into the Senate virtually debt-free. I exited from the Senate with a substantial debt, and so I would say, in relative terms probably I wasn't as well off.

I had a few more suits, but I think that was about it.

Senator MCCAIN. And also, I understand that the automobile that you use was a hazard to the safety of most of the citizens of the metropolitan area, if I remember correctly? [Laughter.]

Mr. TOWER. Senator, I think you are referring to my 1972 Dodge, which I still drive. [Laughter.]

Senator MCCAIN. Well, I certainly hope that something can be done about that, Senator.

Mr. TOWER. It has been. I have spent $3,000 in repairs on it.

Senator MCCAIN. I hope to the exterior as well as to the interior? [Laughter.]

Did you want to say something, Bill?

Senator COHEN. I was just wondering if you fixed the muffler on it yet.

Mr. TOWER. It has been replaced.

Senator MCCAIN. In a moment of seriousness, Senator Tower, it was well known inside the Beltway that you felt that you were indeed qualified for the job of Secretary of Defense, in the event of another Republican administration.

When you were given the task of chairing the so-called Tower Commission, there were some indirect as well as direct pressures exerted on you, to make sure that perhaps the administration was portrayed in the most favorable light.

Is that an inaccurate description?

Mr. TOWER. Wait a minute, I'm not sure that the review board portrayed the President in the most favorable light.

Senator MCCAIN. Yes, sir.

Mr. TOWER. I don't think the President in general, or the public in general, construed it that way. As a matter of fact, as I recall——

Senator MCCAIN. I mean in the course of your deliberations, there were some pressures brought to bear in hopes that the Tower Commission report would portray the administration in a favorable light.

Mr. TOWER. I would have to say that there might have been some suggestions of that from some sources, but never any real pressure, and certainly never from the President himself.

I will have to say this for Ronald Reagan, and that is that he insisted himself on a thorough investigation, and the White House cooperated completely. And although what he did was very flawed judgment, and very poor management, terrible policy—he faced that in a manful way, to the consequences of what he had done.

Senator MCCAIN. I believe that in the judgment of most observers, the conclusions of the Tower Commission were indeed very harsh concerning the conduct of the Presidency and his subordinates during this entire unhappy affair.

Mr. TOWER. I would call them stringent. And I think, consistent with the findings made later by the joint congressional committee, although I believe that they were a little tougher than we were.

We did not have some of the advantages that the joint congressional committee had, because we did not have the power to subpoena, nor the power to swear witnesses.

Senator MCCAIN. Is it true that most of the appointees that will be considered for posts in the Department of Defense, including your new deputy, have had significant ties to corporations which deal with defense?

Mr. TOWER. They will be people, for the most part, out of the industry, or people who may be in a different industry, but have had some previous Pentagon experience.

In some instances, there will be people out of academia, who have had no formal relationship with industry.

Senator MCCAIN. Thank you, Mr. Chairman.

My time has expired.

Chairman NUNN. Thank you, Senator McCain.

Senator Shelby.

Senator SHELBY. Thank you, Mr. Chairman.

Senator Tower, we all know you have the experience, both as an academic and right here on this committee, but there is a public perception out there, that you are very aware of, and we are, of an obvious—to a lot of people—conflict of interest.

Back in my State of Alabama, there is an old saying, that if you want a good prosecutor, you want the best you can find—so go get a criminal lawyer. A criminal lawyer who has been very good representing clients and very successful at it.

You've just said something we all eventually find out, but that you only found out a couple of months ago, that everybody didn't love you. I think what's important here, as you well know, as a former Senator and former chairman of this committee, is that it's not love but it's respect.

How would you, in view of some public perceptions that we have raised, and that the news media have raised concerning possible conflicts of interest—gain the respect of the American people? You already have the confidence of the President of the United States, and the good wishes of a lot of us, but I think that is very important as you carry out your duties in the Pentagon.

Mr. TOWER. Well, I go back again to—I think I'm going to be judged on my overall performance, and the objectivity that I bring to my performance in the course of reviewing our defense systems, establishing priorities, and making decisions on competing systems. And that is the basis on which I will be judged.

I have to satisfy the President of the United States on that matter. And I have to satisfy the Congress of the United States on that.

As I said yesterday, I expect to be held accountable not only by the President, but by the Congress, and you will hold me accountable. In fact, you have access to me in questioning me.

Senator SHELBY. And by the American people?

Mr. TOWER. And by the American people, but primarily by the American people through you.

Senator SHELBY. Senator Tower, you served on this committee—I was not on this committee or in the Senate when you were chairman.

However, I did serve in Congress with you. I think that what is important is not what people say, but what they do, and I do believe that you will bring to the Pentagon the qualifications of legislative experience outside and academic that we have rarely seen. You could become—if you are confirmed, and I believe you will be—an outstanding Secretary of Defense, if you choose to do so.

Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator Shelby.

Let's see now, Senator Cohen.

Senator COHEN. Thank you very much.

Chairman NUNN. I'm sorry, Senator Lott is next. I'm sorry.

Senator LOTT. I will yield.

Senator COHEN. Thank you, Mr. Chairman, and I thank my colleague for yielding.

I came in just a few moments ago, but I want to say that I don't think anyone is more justified in raising the issue of ethical standards than Carl Levin.

I would say that I have worked with my colleague from Michigan since coming to the Senate, on the Governmental Affairs Committee, and I must say that he has been an absolutely outstanding leader in the field of trying to establish ethical standards for members, not only of the executive branch, but for Congress as well.

So I think it is entirely appropriate that he raise the kinds of issues that are being raised.

The question is, how can the public be assured, Senator Tower, that you will not act either out of fear or with favor, and as Senator Levin has pointed out—appearances are in fact important.

There is no absolute answer to that. I think that as you have indicated, that your future conduct really has to be judged and can only be judged based upon your past performance, and in that particular regard, as Senator McCain and others have tried to point out, your conduct as a public servant has been exemplary.

Mr. TOWER. Let me add, not just my past performance, but my continuing performance as Secretary, should I be confirmed.

I mean, I can be judged day to day on my performance as Secretary, should I be confirmed.

Senator COHEN. Well, I was going to get to that as well, but I simply want to point out that you have conducted yourself in the most exemplary fashion as a public servant in the past, in the present, and I would assume you will in the future as well.

Here is another difficult point that we have to consider, that Congress is itself not entirely comfortable in raising this issue. We find ourselves in a rather uncomfortable position by the way in which we finance campaigns.

We have substantial contributions coming from political action committees, from defense firms, from labor groups, from business groups, and others. And so it's not so easy for us to be casting stones upon appearances, when in fact our own campaigns are also funded by various "special interest groups" and the public has to make a judgment as to whether or not our votes have been influenced by those contributions.

The only guarantee that we have is to try to put some limitations on contributions and to publish them. That is one way in which the public can at least be in a position to make a judgment as to whether, in fact, our votes have been influenced by campaign contributions or by our independent assessment of the merits of the cause itself.

I thought it was interesting that during the debate about whether you were going to be named by President Bush as Secretary of Defense, one of the leading contenders was the CEO of Martin Marietta, and there were other top CEO's of other companies who were prime defense contractors.

No one seemed particularly disturbed at the time that that might create a potential conflict of interest. I think, Mr. Chairman, the problem is not so much of whether you would lean with favor toward your past associates, or those who have been providing sources of income, but whether you would lean the other way to show how independent you were.

That is precisely the problem that many prosecutors face. The easy decision is not whether to prosecute—that's the easiest of all, I would say. The toughest question is when not to prosecute, and that is one of the reasons why Senator Levin, myself, and others helped create the Special Prosecutor Law, because we had to take that particular decision out of the realm of the Attorney General under these circumstances. Not that he might necessarily lean with favor toward those accused of criminal wrongdoing, but that by trying to show how independent he was, he might lean the other way.

I want to say for myself, Senator Tower, I have absolutely no doubt that you will conduct yourself as Secretary of Defense with the greatest of integrity and impartiality and in no way would allow any past sources of income or any other associations to influence what you think is in the best interests of the country.

Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Sentor Cohen.

Senator LOTT. Mr. Chairman.

Chairman NUNN. Senator Lott.

Senator LOTT. If I could make a couple of questions?

Chairman NUNN. Well, go ahead since you haven't had your first round.

Go ahead.

Senator LOTT. Thank you, Mr. Chairman.

I did not make this comment yesterday, but after reviewing some of the materials that have been furnished to us, and talking with you and with our ranking member, I think that I, too, would like to say how much I appreciate the job that has been done in this case, and the very thorough work that was done by the chairman and our ranking member of the committee, Senator Warner and the staff.

I think that they have done an excellent job in resolving, in investigating questions that have been raised, and in resolving those questions to this member's satisfaction for sure.

So I'd just like to say to you, Senator Tower, that I have looked at the questions—many of the questions that have been raised—the material that you have filed, which is voluminous, and I am perfectly satisfied that you are going to be able to do this job with total fairness and objectivity and without conflict of interest.

I think that you have gone, frankly, in at least one instance beyond what I think was necessary. I regret it in a way, but I understand that you are making every effort to make sure that there will not be any conflict, so I commend you for that.

You know, looking at your financial disclosures here, and the opportunities that you had in the business world to make a good income, which you have never had in your life—I guess that one of the questions that I have is why in the world would you want to leave that and come back into such a tough position?

But those of us who know you know why, because money and all the perks that go with that life never have been what you were driven by. You have had a desire to serve your country, you have had many, many opportunities in the past to benefit personally, and you have passed that opportunity.

So, like my colleague from Maine, I have no doubt that you will continue to do what is necessary to serve your country in this position.

Just one possible, hypothetical question for you. I really worry that we are driving away a lot of our best qualified people—people that know the Pentagon, that know the Commerce Department, or that know the Congress the very best. We make it awfully difficult for them to come back into the system.

I wonder, why is it that a person like you, that has all of this experience and knowledge of the Pentagon, and the Congress and all that, that you have to go through such a process to purify yourself before all of us, and exclude yourself completely, and yet when we bring in some people from the business world who actually have an equity position in some of these companies, which you did not, we don't seem to raise as many questions about them.

I'd just like to get your reaction to what we have done here, and why we have done it.

Mr. Tower. Well, Senator, I think that I am fair game because I'm a relatively high profile figure. I have a long public record, and a lot of attention was focused on this appointment.

So in the nature of things, it's more likely that I'm going to be more carefully scrubbed than others, and that's something that I accept.

Chairman Nunn. May I just interject there? We have had the policy of pretty strict standards in this committee for a long time on the question of disinvestment of any equity position.

If you go back to the Dave Packard days—Dave Packard actually had to sell, on a forced basis, almost a huge amount of his stock.

Mr. Tower. He took quite a financial beating.

Chairman Nunn. He had to sell his stock, and not let any of it accrue to his benefit—either benefits or capital appreciation, which cost him many millions of dollars.

So we have done that over and over again, and I would take exception to any special scrutiny being administered in this case.

It's true, Senator Tower does not have equity positions, and that helps the conflict matter. But we have had in this area, going way back, rather strict rules. We go beyond, on this committee, what is required by the executive branch or by the Ethics in Government

Act. Sometimes, perhaps, we go too far, but we do try to avoid—conflict of interest or appearance thereof.

Mr. TOWER. If I may just comment, I think that the committee's record on this has been good, Mr. Chairman.

Senator LOTT. Thank you, Mr. Chairman.

Chairman NUNN. Senator Wilson, you haven't had your first round, have you? Then it will go to Senator Levin on the second.

Senator WILSON. Thank you, Mr. Chairman.

Mr. Chairman, I think the questioning to date has revealed that public service is a rather expensive hobby, and if it cost David Packard, as I am advised, something in the neighborhood of $62 million for the privilege of serving his Nation as the Deputy Secretary of Defense, that is an impressive figure.

But for someone of lesser assets, I would say that the kind of sacrifices involved are, if not equally, impressive in terms of the overall magnitude of the sum. It may mean more.

I think Senator Lott's question was an appropriate one. Again, those of us who have known John Tower, I think, understand that he is seeking this role really as a capper on what has been a very distinguished career—as the logical extension of all of his experience and training. And like others who have spoken here, I am not only comfortable, but fully confident that he is prepared to do the job with an exceptional performance, but also that we are not in need of having any concern.

Nonetheless, it is incumbent upon this committee to examine all of the questions with respect to potential conflict of interest.

Senator Tower, as I understand it, you have recused yourself in the instance of the C-FIN project, which to my knowledge was the only one in which you had what might be called an advocacy role.

I understand that beyond that, with respect to your other clients, the clients that you had as a consultant, you have further recused yourself, should there arise in any instance of any of those clients any suspension or debarment proceedings.

Well, that goes far beyond the requirements of the law. And it seems to me an indication of the kind of man that John Tower is. I would say that I share somewhat Senator Lott's concern that we don't want Secretaries going to the point where they actually debilitate their ability to make decisions, in order to be so honor-bright.

I would just say that I consider that John Tower has gone well beyond what the law requires, and again, I think that Senator Lott is correct in focusing upon the need for experience, knowledge and skill of a peculiar kind, that is not available to someone who has worked in the particular vineyard—Governmental vineyard—to which he is called to service.

And that is true in the variety of undertakings of Federal activity. In no instance is it more true than with respect to the unique need for knowledge and experience generated by the Nation's security.

So, I really do not have any further questions, Mr. Chairman. I think your record speaks pretty clearly that Senator Tower has gone far, far beyond what the law requires, and I think it is one more indication of not just his fitness for the job, but the eagerness with which he is seeking it.

He is making a very substantial sacrifice, and I think Senator Cohen made a very appropriate point. That is the reason for having special counsel. There is perhaps a reverse temptation for prosecutors and for that reason perhaps it is well that you have recused yourself in the instances where you have, even though that exceeds the requirements of the law.

Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator Wilson.

Senator Levin.

Senator LEVIN. Thank you, Mr. Chairman.

Mr. Tower, I would like to talk to you about consultants and their role for a few minutes.

You have been a consultant, and as I understand the earnings which you have shared with us—were these your personal earnings, or were these your firm's billings or earnings?

Mr. TOWER. They were personal. The contracts were personal contracts, but I had a professional staff that assisted in the provision of these services.

As a matter of fact, my staff and assistants did far more work than I did, so I had a substantial overhead involved, because I have had two professionals—three professional staff members and two clerical, as well as the rent to pay.

Senator LEVIN. So did those expenses for your staff and the rent and the overhead come out of these figures that you gave to us?

Mr. TOWER. It came out of all my total income. That is not my total income, because I had income from other sources not related to the defense industry, and this focuses on defense industry.

Senator LEVIN. But my question is, were these contractual figures that you received grossed to you, and then from these you would pay your staff from this or other sources?

Mr. TOWER. Yes, except in one instance where we billed for staff time in a particular situation—inordinate drawdown on staff resources.

In addition, travel expenses were paid—usually they just provided me with airline tickets.

Senator LEVIN. Were these consulting fees based on the amount of time that it was expected that your firm would put in for the client?

Mr. TOWER. Not really.

Usually, in these instances, they say, "We will probably want—what is the equivalent of about so many days of your time per year?" But it was, you know, very ambiguous.

It wasn't insisting that you log certain days, but this is just a sort of understanding.

Senator LEVIN. Would you be willing to share with the committee, off the record—in other words, in private—what the expected time range was on these contracts?

Mr. TOWER. There was never any particular demand of that sort. In other words, I didn't function like a lawyer, who bills for a specific time. I was just on a flat retainer and available. There was just really sort of a basic understanding that I would be available when they needed me.

Senator **Levin**. Would you be willing to share with the committee—again, on a confidential basis—the approximate amount of time which your firm put in as a matter of fact?

Mr. **Tower**. I would be delighted to do it. I would have to go back and do some calculations, and try to get that out. I haven't really tried to quantify that.

Senator **Levin**. That would be helpful, if you would.

[This information will be retained in the executive files of the committee.]

Senator **Levin**. Is this a typical consultant arrangement?

Mr. **Tower**. I don't know what a typical consultant arrangement is, because I have not necessarily discussed it with other consultants.

It is my understanding that it's pretty much ballpark, as far as the consulting business goes.

Senator **Levin**. In terms of——

Mr. **Tower**. But I can't say with any degree of certainty.

Senator **Levin**. Well, we have had some questions about the role of consultants, as you know, and you have now been a consultant and have confirmed that you are going to be in the position where you are going to be giving the President advice, and be taking a position on any changes of the law as relative to consultants and their work with the Pentagon.

We've got, obviously, a crisis of confidence that we've got to address.

Mr. **Tower**. Right.

May I say, at that point, Senator, that my preference would be that the Department do as much in-house as possible? And perhaps cut down on the use of consultancy.

Senator **Levin**. One of the problems—and I think that most of us would share that goal with you, by the way—we have tried to figure out a way that we could do more in-house, and your efforts there, I think, would be very welcome.

But one of the problems is that at the present, the Department has not required disclosure from DOD consultants that are hired by contract rather than those that are appointed as special Government employees. In the absence of that disclosure of consultants who are hired by contract of their other clients, we cannot make a judgment as to when a consultant for the Government is also consulting with somebody else, and where there may be a conflict between the advice or the goals of that other person and the goals of the Government in a particular project.

So my question to you is expanding on a question which we asked you in writing. My question to you is, would you be prepared to close that loophole, and to require a comparable disclosure by all DOD consultants as to what related projects they're working on for other clients?

Mr. **Tower**. I believe in my answer to the question that you submitted to me in writing, I indicated that we should move in that direction.

Senator **Levin**. You said that you would review it. My question is——

Mr. **Tower**. I will review it, and——

Senator LEVIN. Can you go beyond that? I mean, reviewing it is a pretty neutral world.

Mr. TOWER. Yes, that's right.

Well, let's go to your third question. I wonder, would you Senator, submit your question there for the record?

Senator LEVIN. My time is up. Maybe we can just come back to that, because I think that it really is just a wrinkle on the question that I've already asked. But let me come back to it.

Chairman NUNN. Why don't you go ahead and finish?

Senator LEVIN. All right. Let me just finish that off.

I see that Senator Cohen is back here now, and I wanted to say this while he was present—how grateful I am to him for his comments about my work.

There are many others in this Senate and in this Congress who are more deeply involved than I am in the ethics area, and he has been one of them for a long time, and the country owes him a real debt of gratitude in the ethics area.

But we are all interested in the same thing here. The problem isn't whether you are an honest person by the way. I think you're going to get an absolute unanimity in this body and in this committee on that question.

The question is the appearance issue.

Mr. TOWER. Right.

Senator LEVIN. And the impression issue.

We have now a situation where you have been a consultant. According to these figures, to the average American, it looks as though you were a fairly well-paid consultant.

Mr. TOWER. No question.

Senator LEVIN. So we are going to have an issue as to whether or not we should require consultants to register with the Department of Defense, so that we can judge whether or not they have other clients whom they are also advising at the same time that they're advising the Government, because there is obviously not only an appearance of a conflict in that question. There could be an actual conflict in that area.

Mr. TOWER. Well, Senator, I favor registration that elicits the information necessary for identifying the potential conflict.

Now, to try to go on and prescribe the details of such would be very——

Senator LEVIN. No, that's fine. That would do it, so long as we have that kind of commitment that the contract consultants would also be covered by a requirement for registration.

Mr. TOWER. Yes.

Senator LEVIN. Not just the ones who are appointed as special Government employees.

We then will close the loophole, and the details of the registration or disclosure can be worked out later.

Mr. TOWER. And incidentally, I would be very glad to receive any detailed suggestions you have in that connection.

Senator LEVIN. I have some more questions. Should I go ahead?

Chairman NUNN. Why don't you go ahead? I don't see any signals from anyone that they have any more conflict questions, but I want to complete the conflict area.

I have a few more, but I will defer to you.

Senator LEVIN. Thank you.

As I understand, your decision to recuse on the C-FIN matter is because you have been actively engaged in either lobbying relative thereto, or—what is the word that you used—that you've been an activist? How did you describe it?

Mr. TOWER. An advocate.

Senator LEVIN. An advocate?

Mr. TOWER. And I did discuss it with certain members. Primarily my staff did most of it, but at least it was my organization.

Senator LEVIN. Did you personally advocate that project to Members of Congress or their staff?

Mr. TOWER. Yes, I think I probably did, and I am certain my staff did.

Senator LEVIN. Is the difference then between the C-FIN and the AV-8B, for instance, because in the case of the AV-8B, you did not advocate——

Mr. TOWER. The AV-8B—and that was only briefly with Jeford-McManus—that was only 2 months, and that was more advice. I don't remember making any contacts to any members on the AV-8B.

Senator LEVIN. The only reason I ask you that is because on your summary sheets, you used the same words relative to the AV-8B that you did to the C-FIN, which is that you monitored developments.

Mr. TOWER. Well, I went beyond that with the C-FIN. The AV-8B is already an authorized program. It's been in force for a long time, and it is really just a matter of monitoring developments on that, and looking for the future requirement for it.

Senator LEVIN. Is it fair to say, when we use the term "lobbying" here among us, that we're talking about a contact with either the staff or a Member of Congress, and that we're not using it in the technical way—that if you contacted a member of the staff, a Member of Congress or a staffer to advocate a program, that you would call that lobbying for that program?

Mr. TOWER. I think that the term lobbying perhaps ought to be more clearly defined. It's something Congress might want to look into, because it's difficult to know if on the one hand, you are maybe asking for information, and on the other hand, advocating favorable action on a program. Then there gets to be a gray area between there, so it's a little ambiguous as to whether one is lobbying or not lobbying.

Senator LEVIN. But on the C-FIN, I gather you went beyond asking the status.

Mr. TOWER. Yes.

Senator LEVIN. My question is, is there any other program other than C-FIN for which you lobbied in the usual sense a Member of Congress or a staffer?

Mr. TOWER. I don't recall any, Senator, and again, informally, socially, when I have seen former colleagues of mine, I might have had discussions with them. Again, it's difficult to know, but I don't think that would be considered lobbying. It's usually just sort of exchanges of information.

Senator LEVIN. If matters come to your attention after you are confirmed, where you did in fact advocate a particular program with a Member of Congress or a staffer, would you then recuse yourself from that?

Mr. TOWER. Well, I think I would have to really reach the situation on sort of an ad hoc basis. I am not prepared to make a response on that now, because it does pose a hypothetical question.

Senator LEVIN. I'm not trying to ask you the names of any projects, because you won't remember if there were. But I'm just saying, if a project comes before you——

Mr. TOWER. I would have to make a judgment call on it at that time.

Senator LEVIN. Well, why wouldn't you recuse yourself in that situation, if you later find out?

Mr. TOWER. Well, I might. I just can't say now.

Senator LEVIN. Why would you hesitate to say that of course you would recuse yourself?

Mr. TOWER. Well, let me say this. As I said earlier, any time something comes up where there is any doubt, or where I am concerned about appearances or real perceptions, I would make a judgment. Now, that's about all I can say, absent given a specific incident, and having to pass judgment on it.

Senator LEVIN. I have just one other question on the matter of unauthorized release of information to defense consultants.

We've asked a number of questions on that this morning. To what extent do you feel there is a problem in this area of unauthorized release of documents to defense consultants?

Mr. TOWER. There appears to be a substantial problem with it, Senator. It's one that has to be dealt with, and has to be dealt with swiftly and decisively.

I say that's what it appears to be. I have to get a handle on that situation before I can really understand the scope or magnitude of it.

Senator LEVIN. Thank you, Mr. Chairman.

Chairman NUNN. Are there any other conflict questions on my left?

Senator COHEN. Just to clarify a question that Senator Levin asked Senator Tower—I think what he was saying was if you found in reviewing past activities the same level of active lobbying that you did on the C-FIN, and other areas, that you would make a judgment at that point to apply the same standard?

Mr. TOWER. I don't expect that, but I am certain that I would recall it if I had done so.

Senator COHEN. All I am saying is that if you did, obviously you would, and to the extent that you didn't find such an active lobbying activity, then that would be a matter of judgment for you.

Chairman NUNN. I have several more questions, Senator Tower—not very many, but a few here.

In response to the committee questionnaire, you noted that you would recuse yourself from all "Government-related matters" regarding Southern Methodist University, where you remain on unpaid leave from a teaching position.

I guess SMU does have a small amount of defense contracts in the research area. Is that a correct interpretation, that you would not be involved in any decisions regarding them?

Mr. TOWER. That's right, I would not.

Chairman Nunn. You intend to remain associated with them, but on an unpaid basis, is that right?

Mr. Tower. Yes, it is unpaid.

Chairman Nunn. Could you list others of that nature? I think in your questionnaire, there are several that are not defense contractors, but I think we ought to get it on the record.

Mr. Tower. I am a trustee of Southwestern University, which is my alma mater, and I would like to retain that trusteeship.

Chairman Nunn. They don't have defense work?

Mr. Tower. They don't, to my knowledge, have any defense contracts or grants. That's not to say they might not have some other kinds of grants, but not any from DOD that I am aware of.

I believe there is a list of those that is available to the committee.

Chairman Nunn. We have that.

Are there any other of that nature?

Mr. Tower. I am a trustee of the Kappa Sigma Memorial Foundation, which is established within my fraternity for training and student leadership programs. It has no business with DOD.

Chairman Nunn. I understand, of course, that most universities have trust funds and funds that they use for investment purposes, [illegible]th—endowments.

[illegible] understanding is that you have agreed that your role as [illegible] any of these universities where you will continue to be [illegible] that you would not involve yourself in decisions relating to their investments?

Mr. Tower. I would not. And in the sole instance where I was to remain a trustee of the university, the university retains an independent investor and consultant to invest its endowment funds, and the decisions on that are not made by the trustees.

Chairman Nunn. So you won't be involved in those decisions?

Mr. Tower. I will not be involved in those kinds of decisions.

Chairman Nunn. As to former clients named previously on the questionnaire, you noted that you would recuse yourself only from suspension and debarment proceedings.

My question really is, how do you, in your mind, distinguish between suspension and debarment proceedings, and many other types of decisions, for instance, decisions that would result in contract awards, contract modifications, exercise of options for additional work, termination for convenience, termination for default, profit recapture and referral to and relationship with the Department of Justice on criminal and civil matters?

In other words, what in your mind distinguishes the debarment and suspension decisions for which you would recuse yourself from these other decisions that would affect these companies?

Mr. Tower. Mr. Chairman, In deciding to suspend or debar a company from Government contracts, then the Government has made a determination that the company cannot be trusted to perform those contracts properly, and the determination is based on the past record of the company, including evidence of wrongdoing by company officials or employees.

Award decisions, on the other hand, generally are directed to a particular product offered by a company, and whether that company can meet the specs for the best price. The determining factors in making those contract awards generally are the quality of the product or the service being offered, and the offered price, and the particular needs of the Government—so the past conduct of the company is rarely an issue. So that is the distinction I make.

Chairman NUNN. I do think that you went to a great extent to try to prevent the impression of conflict here. I must say, I don't get the distinction myself. I don't know what it is.

A company can be put out of business by two or three adverse programmatic decisions, just as quickly as by a suspension. But perhaps as we continue this, we would have to——

Mr. TOWER. I think that is a far more serious thing, suspension and debarment of the contractor. They are of a different character.

Chairman NUNN. I am going to continue to think about it. But at this point, I don't get the clear distinction. But on the other hand, you are going further than probably is required in doing that.

In the normal course of DOD decision making, as you understand it, who makes those suspension or debarment decisions?

Mr. TOWER. You are asking a technical question that I can't quite answer.

Chairman NUNN. Is it the service Secretaries, normally?

Mr. TOWER. May I supply that for the record, Senator? I have to be sure of myself on this, so could you permit me to supply that for the record.

Chairman NUNN. I will.

We will put that in the record.

[The information follows:]

The service Secretaries and their representatives to whom that responsibility might be delegated would be responsible for suspension and debarment.

Chairman NUNN. I believe that we incorporated earlier the complete statement that you were reading from or referring to into the record.

Mr. TOWER. Yes.

Chairman NUNN. Senator Levin has already asked you questions on the C-FIN program, about what you will do in the future on that.

But I wanted to make sure that we have covered a couple of questions. You do believe you contacted members of the staff and/or Congress about that program, is that right?

Mr. TOWER. Yes, I do.

Chairman NUNN. And the nature of the contact was?

Mr. TOWER. Early on, simply to determine status, and then in the spring, I believe of this past year, advocacy, I would say.

Chairman NUNN. Were any of those contacts made before your firm registered under the Lobbying Act on February 2, 1988?

Mr. TOWER. I did make one or two contacts. I would not construe those as lobbying.

Chairman NUNN. So there were contacts made before you registered?

Mr. TOWER. I would construe those as seeking information—that is to say, it was not my intent to lobby.

Senator WARNER. Mr. Chairman, could I interject at this point that I was one of the Senators who was in favor of the program? I still am in favor of the program. You did call me with reference to procedural matters, and I viewed that our conversations were not in the realm of lobbying.

Chairman NUNN. I think for the record that whatever reference you made on behalf of the program, that were unsuccessful on the Senate side——

Senator WARNER. I regret to say so, yes. [Laughter.]

Chairman NUNN. Which frequently happens to all of us. Are there any other questions on conflict?

Senator WARNER. Mr. Chairman, I do have one matter, and I would just like to consult with you about it. [Pause]

Chairman NUNN. I will defer to Senator Cohen just for a moment, to follow up on that line of questioning, and then to Senator Warner.

Mr. TOWER. If Senator Cohen would indulge me, Mr. Chairman, let me simply respond that the service Secretaries and their representatives to whom that responsibility might be delegated would be responsible for suspension and debarment.

Chairman NUNN. So normally, would the Secretary of Defense be responsible for reviewing a decision one way or the other?

Mr. TOWER. But ordinarily, it is determined at a lower level.

Chairman NUNN. You wouldn't ordinarily initiate it?

Mr. TOWER. No, I don't think so. I don't know of any instances where that would be true.

Chairman NUNN. Senator Cohen is recognized on this subject, then Senator Warner.

Senator COHEN. Mr. Chairman, you raised an issue, I think, in the minds of a number of us, in terms of the distinction between the programmatic decision and one that involves debarment and suspension.

I wanted to check this with Senator Levin, because he and I have been involved in this issue going back to 1979, in which we found situations where a company might be found guilty of some fraud practice and be debarred or suspended from that particular agency, and walk across the street to a different agency and still continue to do business with the Federal Government.

Subsequently, we submitted legislation to change that. The legislation was not adopted, but there has been, apparently, a regulation adopted by the administration in which, if a company were in fact either debarred or suspended, and found guilty of having committed that fraudulent act, that there would be a Government-wide debarment or suspension for a period of time.

Now, some of these companies—and I am not familiar with all of them, but they may very well have non-defense related businesses from which they would be precluded. So I think there is a legitimate basis for distinguishing between debarment and suspension proceedings and decisions which would have not only a defense-connected implication, but a Government-wide one.

So I think it is a more serious nature than perhaps we would know at the outset.

Senator WILSON. Mr. Chairman.

Chairman NUNN. I had promised to recognize Senator Warner. Is it on this point?

Senator WILSON. It is.

Chairman NUNN. Then we will defer to Senator Wilson.

Senator WILSON. Mr. Chairman, I think there is a distinction, and I think Senator Tower has properly made it.

I think he has from an abundance of concern about appearance erred on the side of caution. But the distinction, I think between an award—a programmatic award—which relates to whether or not the contractor is offering the particular product at a quality and price that meets Government specification, is one thing.

If you are looking at suspension or debarment, even of a company that is exclusively concerned with defense matters, and not engaged with other agencies, you have a situation in which there is at least—or you can entertain the presumption—that the relationship that had existed between a contractor and a consultant might lead the consultant, were he in the position of a Secretary, to be sympathetic to the concern of their going out of business.

And I think for that reason, Senator Tower has gone far beyond what the law requires. But he is making a judgment, and in order to avoid even the appearance of some undue sympathy for someone who, after all, if they are the subject of a suspension or debarment proceeding, it's because of some alleged wrongdoing. He is putting himself in a position where he could not be suspect, because he would have no role in that proceeding. And I think that is a legitimate and critical distinction.

Chairman NUNN. Thank you, Senator Wilson.

Let me just sort of announce our plans for the rest of the morning. I will recognize Senator Warner for another matter relating to conflict, then I believe Senator Gore hasn't had his round on conflict of interest.

Do you have some questions on conflict, Senator Gore?

Senator GORE. Mr. Chairman, I would prefer to take my 5 minutes from yesterday's round, which I unavoidably missed.

Chairman NUNN. I was going to get to that.

What I want to do is to exhaust all of the conflict questions that we can this morning, for everyone who is here.

Do we have any other conflict questions from anyone?

Senator Warner will be recognized. Senator Exon—and Senator Dixon, do you have some questions on conflict of interest?

Senator DIXON. Yes, just briefly.

Chairman NUNN. Okay, Senator Warner, Senator Exon and Senator Dixon. Then I will recognize those for their first round that were not able to make their first round of questions yesterday, and that is five people. I would think at that stage, it would be in the neighborhood of 12, or a quarter to 12. We will break for lunch until 2.

Mr. TOWER. You call it, Mr. Chairman. I am at your disposal.

Chairman NUNN. We will come back at 2 and go to the second round of policy questions for the remainder of the afternoon.

So, Senator Warner, you are recognized, then Senator Exon, and then Senator Dixon.

Senator WARNER. Just briefly, Mr. Chairman, I ask that the record of this particular category of questioning remain open until such time as I have had further opportunity to talk with White House counsel, and to receive from the Attorney General a letter that the chairman and I requested regarding the Ill Wind investigation.

I understand that that letter is being delivered here in a very few minutes, at which time the chairman and I will address our independent inquiry, which you are not aware of.

It is something that we felt was important, so it is my understanding that the information that is coming back to us will be satisfactory to the chairman and myself, and I presume to the balance of the members of the committee.

Chairman NUNN. Thank you, Senator Warner.

Senator Exon.

Senator EXON. Just very briefly, Mr. Chairman, and thank you.

Senator Tower, I don't know whether this is a conflict of interest question. It's management, relates to conflict of interest.

I just want to get clarification from you, if I could, about the newspaper story this morning about the appointment of Mr. Atwood. As far as I know, that sounds like a good appointment to me.

As you know, there were all kinds of stories out about the fact that the President wanted to make the appointments of the assistants under the Secretary of Defense, and it was assumed it would be John Tower.

I was very much concerned about that, because I know your management style, and I did not think it was wise to cripple the Secretary of Defense by having others appointing his subordinates.

Is it safe to assume that Mr. Atwood was your choice for that position, and did you recommend Mr. Atwood to the President?

Mr. TOWER. I recruited Mr. Atwood for that position. I actually interviewed several prospective candidates for that job, some of which declined to be considered for economic, financial reasons, professional reasons. Some who did consent to be considered—I think we had a very good list. I wanted that list.

I did the interviews, I made the recommendation to the President, and the President accepted my recommendation. So I am the one who goes out and recruits these people, and the President, of course, is the ultimate decision-maker.

But I think he laid all of that to rest the day that he announced his intention to nominate me, when he said that I would be able to select my subordinates, subject to his approval and the cooperation of the transition team. And I do cooperate actively with others, but I am the initiator of these nominations.

Senator EXON. Thank you, Senator Tower. That lays that to rest.

Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator Exon.

Senator Dixon.

Senator DIXON. Senator, as you know at the time that we passed the Defense Reorganization Act, I was responsible for the amendment setting up the Under Secretary of Defense for Acquisition, and I think that you are also aware of the fact that our initial experiences with that post were rather unfortunate.

Mr. Godwin resigned, and there were some unpleasant aspects, I think, to that whole experience. Thereafter there were quite a few hearings, here in the Armed Services Committee, at which everybody up and down the line at the Department of Defense assured us that they would work assiduously to give the power to the

Under Secretary of Defense for Acquisition to be a hands-on man, in the acquisition and procurement policies in the Department.

At the time of the procurement scandal last year, I introduced legislation which we did not deal with last year, that further strengthens the post of the Under Secretary of Defense for Acquisition.

Without expecting to get, obviously, your commitment, Senator, to what you would ultimately support, I would ask you whether you would he open to the idea of looking at some legislative responses to some of these problems?

Mr. TOWER. Senator, I would certainly be more than happy.

I respect your views on these matters, and my previous experience with you as a member of this committee is that you make some very good, solid contributions to the process, and I would be delighted to discuss those with you.

My only caution would be that I would hope my colleagues would avoid legislatively trying to micromanage aspects of the Department which would inhibit my ability to establish my control and authority over the Department so that I can be accountable to you.

Senator DIXON. I thank you.

And, Senator, if you will indulge me, I will follow up with some written questions that may be fairly, lengthy—I will not bore you with that process now, to get your responses and ideas on some of these legislative responses that we have in mind.

I thank the Chair.

Chairman NUNN. I believe that is all the questions that we have on conflict of interest at this point.

Some members were not able to be here, and might want to bring up some later on this afternoon, but at this stage, I would recognize Senator Lott for round one, that he has not yet enjoyed, on the policy side.

Then Senator Gore would be next, then Senator Dixon next on policy questions. After that, we will have completed round one and the conflict of interest round.

We will come back at 2 and resume the policy matters.

Senator Exon, I will ask you if you will preside for the next 30 minutes or so.

Senator EXON [presiding]. Thank you, Mr. Chairman.

Senator Lott.

Senator LOTT. Thank you, Mr. Chairman.

Senator Tower, you made your emphasis for the past 8 years in the Congress and in the Reagan administration on the goal of reaching a 600-ship fleet for our Naval forces. Eight years later, through that effort and others, we see an extraordinary period of peace in many parts of the world.

I feel very strongly that the effort that we made to rebuild our military, and the fact that we do have the capability to project our forces through the Navy is absolutely essential.

Yesterday, the comment was made that we really maybe didn't need that 600-ship Navy, that it wasn't achievable, and that we may have to re-evaluate that. I'd like to get your personal views about the importance of that strong Naval presence, and can we in fact maintain a 600-ship Navy, or close to it, in order to do the job that's necessary around the world?

Mr. Tower. Senator, there is no particular magic in the figure 600. It is a figure at which we estimated that we would have sufficient Naval combat capability to meet our requirements.

It could be 590 ships, it could be 610 ships. But we're talking about in that neighborhood.

I think that in peacetime, we are going to continue, even should we conclude significant arms control agreements with the Soviets, even if there were a substantial relaxation of tensions between the United States and the Soviet Union. We will still require a significant force projection capability.

The Navy is the leading edge of that force projection capability. As I said yesterday, the aircraft carrier has been referred to as a precision instrument of diplomacy. The Navy gives you the ability to show the flag, to demonstrate your power and your willingness to use it if necessary, without firing a shot.

It makes a very clear diplomatic point. Beyond that, beyond the business of being able to project force to various parts of the globe to defend our vital interests, we will always have to make sure that we can protect the sea lines of communication that are so necessary to the United States.

We are now an island nation economically. We are dependent on external sources for raw materials, for energy, for markets, and we are, therefore, dependent on the sea lines of communication, and those must always be protected.

We have in our Navy significant superiority over the Soviet Navy in terms of capital ships. That is about the only area of military measure in which we enjoy a numerical or a quantitative superiority. We must maintain it, in my view.

It is not insignificant that when the Soviets talk about conventional arms reduction, they start talking about our Naval forces. One might remember Gorbachev's speech in Yugoslavia a year or so ago, when he suggested that there be reductions in Naval presence in the Mediterranean, looking to a future reduction in Naval forces generally in the area.

Well, that's good geostrategic thinking on their part, and precisely should suggest to us that we must maintain at least the level of Naval power that we have now.

Now that seems to militate against what I said yesterday about nothing being sacred, and nothing is sacred. In our review of our overall requirements, looking at everything in terms of roles and missions, in the Navy, roles and missions will have to be scrutinized.

I will not say whether that will require us to back away from the goal of a 600-ship Navy, but it might. I am not willing to make a commitment on that right now.

Senator Lott. Let me turn to the Guard and Reserves.

I also think that in the past few years, we have made tremendous progress in improving the quality, the training, the morale, the equipment, and everything for our Guard and Reserve. They are a very, very important part of our Nation's troop forces.

When we start looking at places to make savings, I fear that this is one place that people will say that we can do with less equipment, for instance.

How do you view the importance of the role of the Guard and Reserves?

Mr. TOWER. Are you suggesting less equipment for the Guard and Reserves?

Senator LOTT. I am not suggesting it.

Mr. TOWER. But you said that some people have suggested that that is an area where we could economize?

Senator LOTT. Yes.

Mr. TOWER. Again, I would have to repeat that nothing is sacred. We have to look at everything.

However, we may be looking at the possibility of assigning more missions to the Guard and Reserve in the process of this review, and relying less on regular forces.

We may be looking at the possibility of somewhat shrinking the regular force structure, expanding reserve force structure, so I am saying that this is something that could be an outcome.

I think it has been a very progressive step that has been taken over the past few years, in improving the combat capability or the support capability of the Guard and Reserves, getting rid of some antiquated World War—just in my last year, I guess, as chairman of the Armed Services Committee, I was out at Fort Bliss watching a New Mexico National Guard unit practicing antiaircraft fire with these old dusters—old 40mm that we used in World War II.

They are totally useless in the modern context. Now, they've got an advanced system. But that's the kind of thing, if we are to regard the Guard and Reserves as part of our total force, that we cannot tolerate. We have to update their equipment.

It doesn't do much good to take guys and train them on old equipment, and then pick them up and take them over to a theatre of war, and set them down on some new equipment that they are not familiar with.

Senator LOTT. My time has expired.

Mr. Chairman, thank you.

Senator EXON. Thank you, Senator Lott.

Senator Gore.

Senator GORE. Thank you very much, Mr. Chairman.

Senator Tower, I am sorry. I missed part of yesterday's proceedings, but I followed what was said, and I understand that you have already addressed the question of strategic modernization by saying that you will not get out in front of a Presidential decision on that matter?

Mr. TOWER. Pretty much what I said to you in our private discussion.

Senator GORE. And I take it that you believe both options should be preserved until that Presidential decision is taken?

Mr. TOWER. That's right.

Now, of course, that decision—as you suggested to me in our private conversation—is getting upon us, and will have to be made soon.

Senator GORE. Now, I don't believe there have been questions yet about the Strategic Defense Initiative.

This has been the issue which dominated the last 6 years of strategic policy in the Reagan administration.

You have said on other occasions that the decision on deploying any SDI system must be regarded as a policy decision, and not one driven by the technology itself, and that strategic stability should be our goal.

Do you believe that the so-called Nitze criteria of survivability and cost effectiveness at the margins have to be met before any SDI deployment makes sense?

Mr. TOWER. I might not place quite the emphasis on survivability that Paul has, but cost effective at the margin, yes.

That is, if you are talking about a general BMD system.

Now, I think, to begin with—I don't believe that we can devise a BMD umbrella that can protect the entire American population from nuclear incineration. I think that is unrealistic.

Our strategic defense systems have to be a part of our overall deterrent capability, and have to be integrated with our offensive weapons systems.

Now, it is the policy of this administration—the policy of the previous administration—to try to move from an offensive deterrent strategy to a defensive one. It remains to be seen whether that is a realistic objective.

But one for the immediate future—we intend to pursue the position of the President as he has stated it in the campaign, and we have not gone in detail on this. This again is a matter that I don't want to get out in front of the President on, so I would go back to a remark that he made during the campaign, that he would proceed to deployment of some sort of limited initial system as soon as it was feasible.

Now, that of course is my view.

Senator GORE. Now, when you define the word "feasible", do the Nitze criteria——

Mr. TOWER. But you see, that is the magic word that hasn't been defined yet.

What is available to us is state of the art technology that would permit us to deploy a ground based system now.

Senator GORE. Let's home in on the question of survivability. Let's say that the system could be built but would be highly vulnerable to a Soviet anti-satellite——

Mr. TOWER. I don't think it's highly vulnerable. I think the question again devolves on how you define survivability. I'm not sure that it has to be survivable.

Senator GORE. Well, do you think any system should be survivable before it is deployed?

Mr. TOWER. I think it should be survivable, but I think it is very difficult to require absolute survivability, because there is no such thing. We can never be sure of that.

Senator GORE. Do you think it should be absolutely cost-effective at the margins?

Mr. TOWER. I think it should be cost-effective at the margins.

But again, I don't want to be held too tightly to that, because we may be talking about a system—if you're talking about ALPS, for example, you may be talking about defending against something that will never happen, but could happen. So I don't know how exactly you would apply the slide rule to that one, to make a cost effectiveness determination, if you are protecting against an accidental launch.

Senator GORE. Now, the budget submitted by former President Reagan calls for nearly $6 billion in funding by the Departments of Defense and Energy for SDI.

At the same time, it calls for less than that for the entire research and development budget for the U.S. Army.

There is a widespread feeling that the figures in former President Reagan's 1990 budget proposal on SDI are wildly unrealistic, representing a 50 percent increase from the current year's funding level. What will be the process and the timetable by which you together with the President and his National Security Advisor review this program with an eye toward possible adjustments?

Mr. TOWER. I can't give you a precise timetable, but it will be subject to very early review, and comes within the scope of our budget revision formula process—to use a complicated term, I guess.

And this would be a part of my immediate review of Defense Department expenditures with an eye to a revised budget presentation.

Senator GORE. My time is running out.

Let me perhaps wrap this up.

Mr. TOWER. What I am saying—we've got a pretty early time constraint on us. I cannot give you the precise time, but it's going to be soon.

Senator GORE. Let me just say that your first response on SDI represents a view markedly different from the public's perception of President Reagan's advocacy of a perfect defensive umbrella. Almost no one has agreed with former President Reagan that that was feasible for quite some time.

But as Secretary of Defense, you would have a public view that yes, that is unrealistic?

Mr. TOWER. I have just made it public.

Senator GORE. You've just made it public, that's right.

Now the question that will face the country is, after that decision has been made, that it's wildly unrealistic, but here we have a partial system, that's expensive, but it could be deployed—it may be somewhat survivable, we're not sure about that, but the contractors are pushing for it—then the question of a Phase I deployment will be upon us.

I will just say in conclusion that an early deployment target date for a Phase I SDI would have a tremendous impact on funding. If the administration decides on an early date, or to try to get one, I don't think the Congress would go along with it, but the funding wedge for that would intrude very early on the availability of R&D funding generally for strategic modernization for anything—all other R&D programs in the Defense Department.

I of course believe that it is a wildly unrealistic approach, but I appreciate your responses, and I have gone a little bit over my time.

I thank you, Mr. Chairman.

Senator EXON. Thank you, Senator Gore.

I believe now we have finished the first round of 5 minutes.

We can continue, if you can be here for another few minutes, Senator Tower, for the second round. We will try to get out of here a little bit before noon.

Mr. TOWER. I am in your hands, Mr. Chairman, so whatever.

Senator EXON. Senator, let me ask you just two questions, and then I will ask if there are others who wish to be recognized for their 5 minutes on the second round.

First, you indicated in your testimony this morning that you had given some advice to the people that you had contracts with regarding the 1988 trade bill.

I suggest that as Secretary of Defense, there is one provision in that bill that I offered, over in the Commerce Department, that puts in the hands of the President of the United States a new mechanism whereby the President of the United States, could step in and block, if it was determined that the national security interests of the United States would be adversely affected, a foreign buy-out of a defense industry or defense technology.

I have a concern in that area. I would just like to ask you, do you share this concern? And would you not hesitate to become involved in that process as Secretary of Defense, if such an eventuality came to your attention?

Mr. TOWER. I saw in the newspaper the other day something that triggered my attention, and that was the potential sale of the last company that makes these electronic wafers to a foreign source.

I picked up the phone and called an appropriate person in the White House, and expressed my concern about it, and said it's something that I think we ought to look into. So that was just my knee-jerk reaction to that.

I am concerned about it because we've got to retain in our defense industrial base the capability to produce those things that are vital to high-tech systems. We cannot rely on outside procurement for those.

Senator EXON. I appreciate that, and we keep talking about those smokestack industries that are disappearing in America.

We are losing smokestack industries. Equally important is our technology base. I think it is a major national security resource, and I appreciate your saying what you did about that, Senator.

One last caution, if I could, that I would just like to put up in answer to the question posed by Senator Lott, regarding the 600-ship Navy.

The 600-ship Navy is one of those buzzwords that we have become preoccupied with. I suppose, when you are talking about a 600-ship Navy, you were talking about a range. It doesn't have to be 600.

I believe that you said that you would generally support a 600-ship Navy. I would simply point out that the report that we just received from outgoing Secretary Frank Carlucci indicates, based on the assumption of a 2-percent real growth in the defense budget for the next 5 years, that we would have a deployable battle force of between 570 to 590 ships for the next 8 years.

I would assume that you do not necessarily disagree with that figure, and that the 600 buzzword would be in that category—is that right?

Mr. **Tower**. I said that it is not a sacred cow. It is subject to scrutiny and review.

Senator **Exon**. Thank you.

I just wanted to clarify that.

Senator Warner.

Senator **Warner**. Thank you, Mr. Chairman.

Senator Tower, the United States currently has seven collective defense treaties and relationships with 40 foreign nations in terms of our overall commitments.

Do you find any basis in the change of the threat or any other geo-political shift in the last year or so, or since you've left this committee, that would justify your advising the President to back off any of the existing commitments we now have?

Mr. **Tower**. No, I think it would have to be examined on a commitment by commitment basis.

But the system of interlocking alliances has been a continuing part of American policy for the last 40 years, and I expect it to continue because we recognize the value of mutual security arrangements.

Those arrangements serve as something of a force multiplier for the United States in defending our own interests.

You know, there is going to be an overall national security foreign policy review, and I am sure that all of these will come under the scope of that review. There are some, obviously, like the North Atlantic Treaty Organization, that we can predict with certainty are going to continue to be very strong arrangements.

Senator **Warner**. With respect to the special operational forces, a concept that was developed in legislation here under the leadership of the late Dan Daniels of the State of Virginia, and our good colleague and friend Mr. Cohen, what is your approach to that force structure? I am sure you noted that Secretary Taft recently indicated that they would now have greater recognition in the formulation of the POM (Program Objective Memorandum) in their budget authority?

Mr. **Tower**. Right.

And I know there is a lot of dissent within the Department over that, but I accept that decision consistent with the desires of the Congress.

I will review all of this internally, and if I have any problems, eventually I will come back to you with them. Otherwise, I fully expect to follow the mandate of the Congress on that matter.

Senator **Warner**. Well, it's all well and good to have the mandate of the Congress, but at some point the executive branch has got to make its own judgment that that force structure is in the best interest of our national security, and I would hope that you would be one of those.

Mr. **Tower**. Well, that in effect is what I am saying to you. If we have any problems with it, we will come back and talk to you, because we are going to have to review everything in terms of roles and missions and how they fit into national strategy, and that will be one of the things we will have to look at.

Senator **Warner**. Well, I have registered my strongest support for that concept, and it is my hope that it will be strengthened under your stewardship.

On the subject of the strategic systems, what is your emphasis on the doctrine of mobility? The Soviets are moving more and more to having their land-based systems in a mobile mode utilizing both road and rail.

Of course, this is a concept that you will be addressing in the decision of the two systems presently envisioned, but I want to know what your approach is to the subject of mobility in general?

Mr. TOWER. I believe we must have a strong mobility capability.

Senator WARNER. Should we be placing greater reliance on it?

Mr. TOWER. Yes.

Mobility as an element of survivability, as one of the survivability options. It has to be preserved.

Maybe other options, such as deceptive basing modes, or hardening, or whatever—but mobility, I think, is certainly one that we tend to think of in terms of being most reliable from the survivability standpoint.

Senator WARNER. So again, the conclusion is that you intend to place an emphasis on that concept, as you look at it?

Mr. TOWER. You know, looking at it in terms of alternatives on ICBM modernization—it's two mobile systems for all practical purposes, just different types of mobility.

Senator WARNER. I just want to make sure that you concur.

Mr. TOWER. I am aware too that we have tabled proposals to ban mobiles in the START negotiations, but of course that is a negotiating position, and I would hope that the Congress would not get into the business of trying to micromanage negotiating positions, or trying to dictate the instructions to negotiators, because there has to be a great deal of flexibility in that.

Well, I won't say anything more about negotiations. I don't want to get too deeply into it.

Senator WARNER. Thank you, Mr. Chairman.

Senator EXON. Thank you, Senator Warner.

Senator Cohen, did you wish to be recognized?

Senator Cohen, and after Senator Cohen's 5 minutes, then we will recognize Senator Lott, and then we will recess until 2.

I must leave. Would one of you chair the meeting and finish up? Senator Warner, if you are going to be here, if you would chair the meeting? I will defer to you.

Senator Cohen.

Senator COHEN. Thank you, Mr. Chairman.

Senator Tower, I doubt if you have had a chance to read this particular document that is called Securing Strategic Stability. It was produced by the Center for Strategic and International Studies—CSIS.

I recommend it highly to you.

Senator Nunn, Senator Warner, myself, Congressman Aspin, Dick Cheney and others participated in this particular project, and I think it has some very sound recommendations as far as securing stability in the future.

Mr. TOWER. I have a copy of it. I have not read it. As a matter of fact, Senator, I have been intellectually atrophying over the last few months in preparation for this hearing. [Laughter.]

Senator COHEN. Would you extend that to say you have been intellectually atrophying while testifying here today as well? [Laughter.]

Mr. TOWER. No.

Senator COHEN. I would like to come back to a question, perhaps touched upon indirectly by Senator Gore, and that is with reference to SDI.

You were here during the very rigorous debate on the ABM Treaty back in 1972. Considerable controversy has been generated in recent years about what kind of interpretation of that treaty is really permitted, the so-called narrow view or the broad view.

Could you tell me what your view is, as far as the interpretation, your interpretation of that treaty, and how that particular view would be contained in your recommendation to the President of the United States?

Mr. TOWER. Now, without trying to speak for the President, I believe that this is the sense of where we are right now.

A selection between the narrow and the broad view does not have to be made now, and indeed, anything that we might anticipate doing in the near future could be done consistent with the narrow interpretation.

Now, if in the future we began to move toward research and development or testing and evaluation or deployment of something that went beyond the narrow interpretation, then that issue would be very present and very much with us.

I think that it was unfortunate that that issue came up when it did, because I think it has tended to cloud the whole debate on SDI and strategic modernization. It has taken on an emotional quality all of its own.

Senator COHEN. Within the 5 minute time frame, I don't have really enough time to debate the merits about what can be done and what should be done. I think there is a substantial difference between the interpretation that it should not be shifted because of what the state of our technology is, rather than what our understanding of the treaty is.

Mr. TOWER. There may be arguments about what the narrow interpretation permits us to do.

Senator COHEN. I agree with that.

But there is not enough time to discuss it now. I would like at some point to have an opportunity to clarify how we proceed with the SDI program within the context of the ABM Treaty. I think that is going to be a major issue that will come before us.

I know that you carefully excluded me from one of the characterizations of the Yahoos yesterday, and I want to thank you for that.

But let me just venture my own view about strategic arms control matters. I think it is a mistake to propose a banning of all MIRVed systems and I believe that what we should be doing is banning MIRVed missiles, and that would be the appropriate approach to take with the Soviet Union to encourage them to go to single warhead systems as well as ourselves.

But that is another matter altogether.

Mr. TOWER. May I just make one comment on that, Senator, based on my experience?

It's very difficult to get the Soviets to agree to a lot of things. For example, we had this experience with build-down.

It is difficult enough to get them to agree just to sub-limits and various other types of constraints, because they want some flexibility in the proscriptions of the treaty. But beyond that, they don't want a treaty that forces symmetrical systems on the two parties, and they would resist efforts to negotiate something that would create mirror image strategic forces.

Senator COHEN. I might say, just for the record, that it was also difficult to get our own administration to accept the concept of build-down, as well as the Soviets.

Mr. TOWER. I presented it to the Soviets myself.

Senator COHEN. Let me turn to an issue that is really of particular interest to me, and that has to do with special forces, something that Senator Warner talked about.

I must tell you that first, I have found that there has been erratic funding for special forces. There have been serious deficiencies within the services. There has been resistance to reform on the part of some in the Defense Department.

I would say specifically the Air Force has not been as sanguine about funding Special Operations Forces as has, perhaps, the Navy and the Army.

The *Achille Lauro,* Desert One and Grenada incidents demonstrated that Special Operations Forces are of very little value if we don't have the airlift to get them to the targets on time.

We have seen very little priority afforded to Special Operations Forces procurement, and I will give you the example of what occurred when special forces requested updated radio equipment for their units.

It took 17 years before we finally procured a radio system which, by the time they received it, was obsolete. And I might point out that even at that point, the conventional forces who had opposed the funding all of those years were the first in line to get that particular piece of radio equipment ahead of the special forces.

I think we have to dedicate much more attention to Special Operations Forces funding in the future.

There has also been considerable Pentagon resistance to the very notion of setting up a Special Operations Command and an office of the Assistant Secretary of Defense for Special Operations, Low Intensity Conflict. There has been strong resistance to that.

Most of the experts that I have talked to seem to agree that the future threats that we face are not so much a conflict with the Soviet Union, or another major power, but rather the rise of terrorism and that of guerrilla insurgencies—that that is where we have to focus our attention—since those are the missions we are least prepared to deal with from a military point of view, in terms of funding, force structure, and doctrine.

I would hope that under your leadership that we would see greater attention devoted to these missions and U.S. Special Operations Forces.

Mr. TOWER. And that is a threat to U.S. interests that will continue even in a climate of vastly reduced East-West tensions, and perhaps significant arms agreements for the United States and the Soviet Union.

I think that problem will always be with us.

Senator COHEN. My time is up.

Thank you, Mr. Chairman.

Senator WARNER. I certainly agree with Senator Cohen on that observation. That is why I raise the point that I hope that the SOF forces cease to be considered as a congressional initiative, and that the executive branch takes it over and shares the determination to provide adequately for those forces and make them a very critical part of our national defense.

Mr. Lott.

Senator LOTT. Mr. Chairman, I am sure that you will do an excellent job as chairman, and I would like to continue this because of that.

Senator WARNER. Now, I am waiting for you to clear the room, and then Senator Tower and I have the helm of this hearing, and we're going to take off.

Senator LOTT. I know the gentleman needs a break, so I will wait until 2 to ask a couple more questions, if I could.

Senator COHEN. Thank you, Mr. Chairman.

Senator WARNER. Thank you, Senator.

[Whereupon, at 11:53 a.m., the hearing recessed, to reconvene at 2 p.m., this same day.]

NOMINATION OF JOHN G. TOWER TO BE SECRETARY OF DEFENSE

THURSDAY, JANUARY 26, 1989

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

The committee met, pursuant to notice, at 2:07 p.m., in room SR-325, Russell Senate Office Building, Senator Sam Nunn (chairman) presiding.

Committee members present: Senators Nunn, Exon, Levin, Kennedy, Dixon, Glenn, Wirth, Byrd, Warner, Thurmond, Cohen, Wilson, McCain, Gorton, and Lott.

Committee staff members present: Arnold L. Punaro, staff director; Andrew S. Effron, general counsel.

Professional staff members present: Robert G. Bell, Sherri Wasserman Goodman, James R. Locher III, David S. Lyles, Michael J. McCord, and Fred F.Y. Pang.

Minority staff members present: Patrick A. Tucker, minority staff director and counsel; Romie L. Brownlee, deputy staff director for the minority; Inga B. Schoonover, special assistant; Brian D. Dailey, Judith A. Freedman, and George K. Johnson, professional staff member.

Staff assistants present: Tiffany E. Berger, Barbara L. Braucht, Barbara Gallo, Lori M. Jackson, Mary J. Kampo, Kelli Pronovost, and Debra A. Rice.

Committee members' assistants present: Jeffrey B. Subko, assistant to Senator Exon; Gregory J. Weaver, assistant to Senator Levin; William J. Lynn, assistant to Senator Kennedy; Charles C. Smith, assistant to Senator Dixon; Phillip P. Upschulte and Milton D. Beach, assistants to Senator Glenn; Leon Fuerth, assistant to Senator Gore; Jefferson B. Seabright, assistant to Senator Wirth; Terrence M. Lynch, assistant to Senator Shelby; Dick D'Amato, assistant to Senator Byrd; Christopher Mellon, assistant to Senator Cohen; Mark J. Albrecht, assistant to Senator Wilson; Jack D. Crouch II, assistant to Senator Wallop; Christine Dawson, assistant to Senator Gorton; and Anthony H. Cordesman, assistant to Senator McCain.

OPENING STATEMENT OF SENATOR SAM NUNN, CHAIRMAN

Chairman NUNN. The committee will come to order. We got through most of the conflict of interest matters this morning and now we're back on policy. We may have a couple of more conflict of interest matters to go back on for clarification, but at this point in time I call on Senator Levin for his second round of questions.

Senator LEVIN. Thank you, Mr. Chairman. Senator Tower, yesterday you said that you were a realist and acknowledged that we must operate within economic constraints.

I pointed out the difference in tone between your approach now and what you said in 1983, when you spoke of the critical need for keeping our security effort independent of the fluctuations of domestic policies, and you answered yesterday, as I recollect it, that you are not sure that your thought processes had changed much. In any event, there is no popular support for a big increase in defense at this point.

Now, you are not one that always goes along with what is popular, and I have a number of questions in this area. Do you believe that it is imperative that there be real growth in the defense budget this coming year?

Mr. TOWER. Until I have a chance to look at the outcome of the administration effort to define national objectives and formulate a strategy designed to achieve those objectives and look at our forces for structure and hardware, the roles and missions and how they fit into that strategy, I could not give you a conclusive answer to that question.

Senator LEVIN. Could you give us your feeling about it?

Mr. TOWER. What we will have to do is prioritize spending and make our economies from the bottom of the priority list up. The question is, how far up the priority list do you get? At some point in time, do you run into the problem of cutting away muscle instead of fat?

Senator LEVIN. Is it fair to say that at this point you do not have an opinion as to whether we will need a real growth in the defense budget next year?

Mr. TOWER. That would require more thoroughgoing analysis than I have had an opportunity to make at this point.

Senator LEVIN. General Scowcroft indicated last Sunday, on one of the news shows, that he felt there was obviously a conflict between a commitment to a strong defense and a commitment to no new taxes. Do you believe there is a conflict?

Mr. TOWER. I do not believe there is a conflict. It depends on what we want to spend our money on. As we prioritize spending in the Defense Department, I would assume there will be commensurate prioritization in other areas of government expenditure.

Senator LEVIN. The new director of OMB told us that he would prefer the across-the-board cuts under the Gramm-Rudman sequestration provision to any tax increase. Is that your view?

Mr. TOWER. I do not like to put it on an either-or basis. Let me say that I think a sequester would not be in the national interest in terms of defense; not in the national security interest. Now, as far as making a choice between that and taxation, I am not prepared to say that that is the choice. Then I go back to the suggestion that we will certainly, I would hope, attempt to discipline ourselves in other areas of government spending and defense.

Senator LEVIN. There is no alternative to a sequester but a tax increase?

Mr. TOWER. That is a very iffy question.

Senator LEVIN. A very important question, too.

Mr. TOWER. But we have not been compelled to cross that bridge yet.

Senator LEVIN. But do you have an opinion on that question?

Mr. TOWER. My opinions, freestanding by themselves, are not terribly important. It is what comes out of the collective decision-making process, what alternatives and options have been presented to the President, and which of those alternatives and options he elects that will be the policy of the executive branch, and I will adhere to that policy.

Senator LEVIN. It is relevant to us, however, what your opinions are on a number of matters, and that is a relevant opinion, as to whether you would prefer a tax increase to a sequestration.

Mr. TOWER. My personal preference would be to see some reduction in non-defense spending as we make reductions in defense spending. The way, of course, Gramm-Rudman works is that defense picks up 50 percent of the bill when you get into the position of sequester.

Senator LEVIN. If it came down to a tax increase versus——

Mr. TOWER. I do not like the idea of meat ax cuts. I think that that is a cop out, so to speak, whether it is on the part of the executive branch or the Congress, that we should identify spending priorities; and I always opposed the meat ax approach when I was in Congress, even in areas of spending that I had no particular sympathy with.

Senator LEVIN. Should we read into that that you would prefer a tax increase to that meat ax approach, if that is the alternative it comes down to?

Mr. TOWER. You are saying, if that is the alternative?

Senator LEVIN. If it comes down to that. It may come down to that within the next couple of months. If it does, is that your preference?

Mr. TOWER. Let me simply say, Senator Levin, that I have read the President's lips.

Senator LEVIN. Do you agree with those lips?

Mr. TOWER. I have read the President's lips, and I would disagree with him at my peril.

Senator LEVIN. We will come back to that. My time is up. Thank you.

Chairman NUNN. Thank you, Senator Levin. Senator Wirth. I think we are around to you at this point in time.

Senator WIRTH. Thank you very much, Mr. Chairman. I am sorry, Senator Tower, that I was unable to be here this morning. I was with Congressman Lujan and Mr. Boskin in their confirmation hearings, going through the same process.

I hope to spend a few minutes, if I might, talking with you about nuclear modernization in Europe. One of the proudest achievements of the Reagan administration was the arms control negotiations and the agreements reached with the Soviet Union on intermediate-range nuclear forces. We are now embarked upon a course of modernization of or follow-on to Lance. Could you give us your views of the policy we ought to be pursuing on modernization of Lance?

Mr. TOWER. Modernization of Lance? I think we must modernize our short-range nuclear forces, and I think we must pursue the Montebello agreement and proceed to modernization of both short-range nuclear weapons and non-nuclear conventional weaponry.

Senator WIRTH. Is there a possibility that the positions that we have taken over the last few years might be changing as policy coming from the leadership of the Soviet Union and coming from the Warsaw Pact may be changing?

Mr. TOWER. I think we have to see the outcome of the Gorbachev effort to achieve perestroika; the expressed intent by Gorbachev to unilaterally reduce Soviet forces by 10 percent; but I would point out that even if General Secretary Gorbachev proceeds in good faith to make that unilateral reduction, that there would still be substantial numerical superiority over the West in terms of manpower, artillery tubes, tanks, tactical aircraft.

Senator WIRTH. You mean significant superiority in the East?

Mr. TOWER. To the West, from the East.

Senator WIRTH. When you say we want to wait to see the outcome, what does that mean for the timing of our commitments to the modernization?

Mr. TOWER. I think it means that we proceed with modernization apace and not wait. We should not wait. If we say well, we are going to wait to see what the Soviets do before we proceed along a particular course of action, what we are doing is permitting the Soviets to drive our national security decisions, and that is very imprudent in my view.

Senator WIRTH. What relationship does this decisionmaking on our part have to our NATO allies? Is there any virtue in us, for example, waiting on Lance until a NATO position is arrived at? Are we putting too much pressure on the NATO alliance?

Mr. TOWER. As far as NATO forces are concerned, we cannot proceed with very much without the consent of our NATO allies. In other words, a great deal is subject to the collective decisionmaking process of NATO, which is sometimes frustrating and irritating, but we have to understand we are dealing with sovereign democratic nations.

We cannot influence the internal policies of those countries, except, I suppose, indirectly, and we cannot force a NATO government to move with more deliberate speed than its general citizenry to which it is responsible will permit it to move.

As I said yesterday, this is one of the disadvantages in having to deal with an association—a voluntary association—of democratic states as opposed to a virtual hegemony of authoritarian states on the other side.

Senator WIRTH. Following up then on that line of reasoning, is there any danger that we may be putting too much pressure, say, on the government of West Germany by our position on Lance and our insistence on Lance?

I cite particularly a statement of the day before yesterday. I understand you are going to be in Wehrkunde this weekend, and I am sure you will have a chance to talk there with General Von Altenberg. He is recently quoted as criticizing us for making the issue of modernizing U.S. Lance short-range nuclear missiles a test of West Germany's commitment to NATO, feeling that we, through the position that we were taking, may be making this—as I understand what General Von Altenberg was saying—too great a test on them and their resolve toward NATO at a time when these relationships appear to be changing quite significantly.

Mr. TOWER. I do not have the liberty nor the license that I once had to comment on the internal politics of Germany. That is something that you or Members of the Congress have much more freedom to do than I do, as a member of the Bush administration, and particularly considering the fact that the Secretary of State is the principal spokesman on foreign policy issues for this administration—should be for any administration—and I do not want to get out ahead of him. So I am going to be deliberately cautious about what I say about these things.

Senator WIRTH. I thought I would raise the issue, Senator Tower, because it is an important one.

Mr. TOWER. It certainly is.

Senator WIRTH. It certainly is one that you have to think about and that we have to think about. I think this really goes to one of the fundamental issues that we face.

The world is changing. I think most Americans think, and most observers of the alliance think, it is changing very rapidly. In looking at commitments that we may have made or weapons systems that we may have built, we have to recognize that certain historic imperatives may be moving out ahead of us.

And one of the things that all of us have to do no matter how much experience we have in particular areas, or how much long-term commitment we may have to certain systems, is to think that the time may come that we have to change our thinking concerning East-West and West-West relations. I raise the issue. I do not think we can duck that; I think we have got to look at it face on.

Mr. TOWER. I agree with you. We cannot duck it. It is an enormously important issue. I am just talking about the extent to which I can comment right now. I do not disagree with you that it is an enormously important issue. I trust that we would always have a consistent policy, but one with enough flexibility to permit us to change with time and circumstance; changing political environments and changing military environments.

Senator WIRTH. I certainly hope so, and that is certainly going to be one of your responsibilities, from a very different position than we had in the early 1980s to the one that we are experiencing in the late 1980s. Circumstances have changed a lot, and I think we all have to recognize that and, as you suggest, be flexible. And I would suspect that as we look at weapons systems like the Lance, that kind of flexibility is going to be imperative.

Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator Wirth. I believe Senator McCain will be next.

Senator McCAIN. Thank you, Mr. Chairman.

Senator Tower, you have expressed your support for the 2-year budget cycle concept. As you know, last year, after arriving at a budget summit agreement, we imposed, under your predecessor, we imposed some severe cuts to the current fiscal year. The Department could not show us the impact on the next fiscal year or the 5-year defense plan. It took nearly a year to update its own plans and we had to go ahead without understanding the long term effects of our actions. How do you see us being able to cope with that problem if we do go to a 2-year budget cycle?

Mr. TOWER. Well, of course, the immediate problem I have on my plate is participating in the internal budget process within the administration. Unless determinations have been made on what revisions or amendments there will be to the fiscal 1990 budget, I would have to engage in the business of revising the fit into the 5-year defense plan accordingly. I cannot say what adjustments would have to be made in the fit at this time, because we have not really made a final decision on what the revised Bush budget will look like.

Senator MCCAIN. Senator, at least in theory we have a commitment to provide 10 divisions to NATO within a 10-day period. In fact, we lack the lift, the manpower, the readiness, sustainability, and prepositioning to meet anything like that commitment.

The recent defense budget submitted by the Reagan administration does very little, if anything, to correct that glaring shortfall. Do you view that failure as a very high-priority item, and if so, what steps do you think we could take to remedy the problems we face in meeting our commitments?

Mr. TOWER. I view the ability to respond in a timely way to be a high priority, without getting into the specifics of being able to deliver 10 divisions in 10 days—and I cannot at the moment because I am not sufficiently informed on the subject to say what our deficiencies are and where we fall short in that capability. But again, that will be a part of our overall review.

Senator MCCAIN. Well, I can assure you sir from my certain knowledge we are sadly lacking in that capability in a variety of ways.

Mr. TOWER. I know that we are, but I cannot give you a definitive statement on the extent of it.

Senator MCCAIN. I have been very pleased to see you restate that we will look at budget decisions on the basis of roles and missions, and I am certainly hopeful that that will be the case. We cannot afford to fall into the trap of avoiding conflict between the services by just making proportional cuts in each one that we have fallen into in the past.

As part of that review of roles and missions, let me note that I think we share the view that this Nation's defense posture is driven by the need for a maritime strategy, and has followed that strategy for most of its existence.

Mr. TOWER. I read Mahan's book too, Senator.

Senator MCCAIN. I do not often get parochial, but I would now like to bring one item to your attention which I already have written you about, and that is the proposed reduction at Fort Huachuca, Arizona. We are moving a large number of Army personnel to the State of Massachusetts, imposing a great hardship on them, and moving them to a very expensive area to live. I would appreciate it if you would look at this issue. I recognize that your hands are tied to a large degree because the base closing effort was all part of a so-called package deal. But very frankly, in these days when maintaining an All-Volunteer Force creates so many challenges to the retention of trained and qualified personnel, it makes little sense to me to send them to a place where it is very difficult to live on their pay.

Mr. TOWER. Senator, I will certainly look into that matter. I am not prepared to comment on it right now. With my luck, if I did Senator Kennedy would walk in, in that instant. But be assured of my interest in it.

Senator MCCAIN. Thank you. My colleague from Massachusetts has received great credit for this particular move, and that has been of some interest to the media in Arizona.

Thank you. My time has expired. Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator McCain. I must say the chairman is not now sure of what our order is, because we have been through I think everybody's first round, and some people have had second rounds, so I suppose we ought to start back. Senator Wirth, you have not had a second round. Would you care to go now?

Senator WIRTH. Thank you, Mr. Chairman. Senator Tower, when we were talking briefly in my office 2 or 3 days ago we talked a little bit about the upcoming conventional arms control discussion. At that time, I said to you that I have had, and a number of the members of the committee have had, a great deal of interest in what are called confidence building measures in the Stockholm follow-on negotiations to begin soon in Vienna.

I think it is pretty clear that the conventional arms control area has been—has a long record of being—very slow, very frustrating, and I think we can probably assume that there will be a lot of frustration and slow movement in this in the future. We do, however, have an obligation to respond to the potential change in the relationship between us and the Warsaw Pact forces, and we have to do so and try to get some accomplishments early on. That leads me to think that we ought to try to pursue, if possible, some of the so-called softer areas or operational arms control areas such as various kinds of follow-on to the confidence building measures adopted at Stockholm.

I was wondering if you could give us the benefit of your thinking on this. How important do you think confidence and security building measures are? Do they deserve greater attention than they received in the previous administration? What kind of promise you think they may have to show some progress at Vienna and shore up the process of perhaps lowering the overall level of tensions in Europe in particular?

Mr. TOWER. I think both in principle and practice it would be difficult to find many people of good reason that would disagree with the idea of confidence-building measures. I know certain members of this committee—I guess I could identify them: the chairman and the ranking member—who have been in the forefront of pushing confidence-building measures regarding the United States and the Soviet Union.

When you are dealing, of course, in a multinational situation and involved in negotiations that are multilateral in character, it is far more difficult to arrive at a consensus agreement than when you are doing a bilateral with the Soviets. Bilateral with the Soviets is relatively easy, compared to multilateral involving 23 nations.

The difficulty lies mostly on our side, because we can expect the Pact nations will be pretty monolithic in their view. It will be dictated by the Soviet Union. We will not dictate. Although we would heavily influence, we would not dictate the views of the 16 individual members of NATO.

Senator **WIRTH**. There are, it seems to me, areas where there has been disagreement in this country, and yet there has been maybe a little bit of progress. For example, on exchanges of military officers—discussions between our military officers and those of the Warsaw Pact, and particularly the Soviet Union.

As you know, there has been a prohibition in the previous administration until very, very recently, on even allowing our officers to talk with their Warsaw Pact counterparts. General Galvin told me that he thought greater exchanges would be very helpful. He would like to meet on something of a regular basis with his counterpart to be able to tell him what worries him and to hear from his counterpart what he perceived to be problems with us. He thought that that would be very useful, and that should be just a wedge in the door.

Now clearly there has been disagreement, because there was a major prohibition in the Pentagon to doing any of that sort of thing.

Mr. **TOWER**. I think we have made progress in the last year with the Akhromeyev visit here, the visit to the Pentagon and visit with the Joint Chiefs. I think that that is the beginning of the establishment of the lines of communication, at least between our military establishment and theirs.

It is a funny thing, back in the context that I operated in in Geneva, on our negotiating team there was a representative of the Joint Chiefs of Staff, and on the Soviet team there was a representative of the Soviet military, and there was a great deal of military to military exchange.

As a matter of fact, I think that the most productive sessions we had were when Victor Karpov, the Soviet negotiator, and I met together with our respective military advisors and representatives, General Staradubov and General Aldridge, and I think that these military to military contacts can be productive.

As a matter of fact, probably we have better military to military relations with a lot of countries than we do political relationships. That is to say, head of government to head of government or minister to minister.

Senator **WIRTH**. I am glad to hear you say that, and certainly a lot of people I have talked to in our military believe that is the case and believe this is a promising area in the future.

As a final part of this, let me ask you about discussions of doctrine. Some have suggested that one of the most promising areas for the lowering of tensions and for long-term understanding would be to have high-level discussions of doctrine on both sides, that this might begin to unearth a variety of assumptions being made on either side that could be very useful, again for building the base for a variety of next steps.

There was a working group in the Pentagon that was looking at that option late last year, and I was wondering if you had given that any thought, or if that was something that might appear to you to be a fruitful area to pursue.

Mr. TOWER. I have not given it thought. I think there is a limit to the kind of discussion that you have, because you do not want to give away the store in the process.

And I think that we have to be prudent about these exchanges, make sure that what we are doing is in our own national interest. That is why I am a little reluctant to prescribe just what kind of military to military relationship should be involved in the confidence-building measures, the implementation of those measures.

But this is something, no doubt, I will be considerably better informed on a few weeks hence than I am now.

Senator WIRTH. Yes, well I will look forward to talking to you about it in the future.

I would think that discussions of doctrine on either side would not be giving away secrets or giving away the store. We each have pretty well established and well understood doctrine that is arrived at through a very long and complicated process.

And if we understand what the other guy is doing and how he perceives our doctrine, it seems to me that we have the opportunity potentially to make some meaningful changes that do not involve all of the long and very frustrating complexities of the conventional negotiations on force reductions.

I look forward to working with you on it. Thank you very much. Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator Wirth. Senator Thurmond.

Senator THURMOND. Thank you, Mr. Chairman. Senator Tower, I know how you stand on most matters and I am not going to ask you a lot of questions.

I want to raise two points here. An area of concern to the committee is the long-term quality of the force structure. The ability of the services to recruit has declined as unemployment and the available manpower pool have declined.

Given our experiences in the late 1970s with the quality of the force, do you foresee any tradeoffs in force size to maintain quality?

Mr. TOWER. I can see that as a possibility, Senator. I have already noted publicly we have to have a look at force structure, rather a hollow division or an unmanned ship—or several hollow divisions or several unmanned ships. It is better to have fewer well-manned divisions and well-manned ships. I think that we would, all of us, elect that option. Except in instances where we deliberately cadre some units for surge capability later with the mobilization of reservists, national guardsmen, and the like.

But I think we cannot afford to let the quality decline. Again, I do not want to appear to be pandering to the chairman of this committee, because I will always have this attitude toward him even after I am confirmed, assuming that I am.

But I do remember Senator Nunn's initiatives in trying to improve the quality of the type of people that we brought into the military services. And that, of course, included among other things pay and incentives.

And I think that that has been national policy and that the Congress has been very supportive of that policy, and I think we must continue to do so. We are going to have to do so as long as we have an All-Volunteer Force.

Senator THURMOND. The other point I want to mention is about military medicine. I was very disturbed about that.

Many dependents have complained to me in my State, and from other States too, that they cannot get medical care. Now, they have put in 20 years or more and they are entitled to this, and I think the cheapest way to handle it is through the military where it can be done.

In some instances they are not near a defense installation, however, and in that case they go through CHAMPUS.

Now, the issues of compensation and inadequate support staff are matters for consideration. A recent example, and I would like to mention this to you, was a problem that took place at Fort Sill.

A military pediatrician, a lady, making $45,000 a year, resigned and was hired as a civilian at Fort Sill. In the first year as a civilian, working in a military hospital, the same doctor made $200,000.

While I would like to say that this is an extreme example, I am afraid that such stories are becoming common and will soon rival the horror stories of problems in military procurement.

I wonder if you have given any thought to this matter, because I have talked to a number of doctors lately in the service, including one this week, who told me they were going to resign because of the pay and staffing problems. I do feel that this is somewhat of a crisis, and I would hope that you would give it your early consideration.

Mr. TOWER. I will do that, Senator, and I think that that is a similar problem we may face in other areas such as aviation and high technology, with recruiting and retaining the kind of people in skilled positions that we must have in the military.

Senator THURMOND. We passed a bill last year, and we thought we had solved this matter somewhat, but it seems there is some question as to the personnel in the Defense Department and the head of military medicine.

And it seems—well, they have been at odds, but anyway they both claim this is their turf. And if you can get that settled and decide whose turf it is, I think it will go a long way to solve this problem.

Mr. TOWER. Thank you for the suggestion, Senator.

Senator THURMOND. Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator Thurmond. I think, Senator Exon, we are back to you.

Senator EXON. Senator Tower, how much time have you put in on the budget since your selection was announced by the President. Have you gotten into any details at all? I assume you have done something.

Mr. TOWER. Yes. I have had some preliminary discussions with the new Director of OMB, and discussions with General Scowcroft and with other members of the administration.

And there will be, I think, an intensification of that collective process over the next week. I cannot tell you anything conclusive about it right now.

Senator EXON. All right. That was a lead-up question. I am trying to see what you think our highest priorities are where we are not doing enough.

What three areas as far as our national defense is concerned, are you fearful of that we are not going to have enough money in?

What are your major concerns with regard to where we might have some shortfall military capabilities?

Mr. TOWER. I think it could be in any area. strategic modernization, conventional modernization, people programs. Senator Thurmond alluded to one.

War reserves, spare parts, operations and maintenance. I do not think of any area in which we might not face up to some kind of deficiency.

Senator EXON. I guess I am trying to get the priorities, as you talked about earlier—how high up on that priority list would be, in your opinion, modernization of our chemical deterrent?

Mr. TOWER. I think that is enormously important, because we do not have adequate international constraints on chemical and biological warfare now.

Senator EXON. And it is not likely that we are going to have them.

Mr. TOWER. I think we should proceed to modernize our chemical weapons capability. Now, we all hope the day will come when we can negotiate a viable and effective ban on chemical weapons.

But until that time comes, we should modernize our own chemical capability. We, of course, by our own initiative, had a unilateral hiatus in the development and production of chemical weapons for, what, close to two decades, I think. And during that period the Soviets continued to refine and modernize their capabilities.

And this reminds me of really sort of the classic instance of deterrence, one immeasurable deterrent. And that was when, toward the end of World War II, even when his army was in extremis Hitler forbade his generals to use chemical weapons for fear of the retaliatory capability of the allies. And I think that is a lesson well learned.

Senator EXON. How high a priority is anti-satellite deterrence?

Mr. TOWER. I cannot give you an order of priorities right now, Senator. I would be reluctant to do that.

I can only talk about the rationalization for these systems and the fact that I believe they are important. And I believe that an anti-satellite capability is important, and as we noted yesterday the Soviets already have a deployed anti-satellite capability.

Again, that puts us in a better negotiating position, if we are trying to get some sort of bilateral regulation of outer space.

Senator EXON. For many years, Senator, we have deployed our forces and done our planning, I guess, primarily with the thought in mind of the Soviet threat.

We are seeing evidence, I think, of some Third World nations that are becoming more and more of a threat, at least a potential threat.

Do you see possibly a fresh look and possible realignment of some of our overall strategy? I am not saying that the Soviets are not going to be a threat, and I am sure that you would agree with that, in the future.

But I am thinking of some of the Third World nations, without naming any of them, that maybe should receive a little bit more attention than they have in the past. Do you see any realignment of our overall military planning and strategy in that area?

Mr. TOWER. I think that probably our overall national objectives will remain fairly consistent, once we define those, that there will be very little change as far as ultimate national objectives are concerned.

The strategy to achieve those objectives will have to have built into it a degree of flexibility, to permit us to adjust to changing conditions. And there are changing geopolitical, geostrategic conditions in this world today.

We see former colonial possessions now emerging as great regional powers. We see China, Japan, India emerging as if to the status of, if not superpower perhaps mini-superpower, if we can coin an expression.

And I think we have to look at these regional changes throughout the world that are really a consequence of the diffusion of power that has resulted from the breakup of the old geography of the world in the post-war period.

Senator EXON. Thank you, Senator Tower. Thank you, Mr. Chairman. My time is up.

Chairman NUNN. Thank you, Senator Exon. We normally do not recognize guests at the hearings other than the family of the nominee.

But we have a very distinguished group of NATO parliamentary members that are here from the North Atlantic Assembly. I know many of them are friends of the nominee, and so I would ask Chairman Peter Peterson and the members of the delegation to please stand and be recognized. We are delighted to have you.

[Applause.]

I believe next is Senator Gorton.

Senator GORTON. Thank you, Mr. Chairman. Senator Tower, I would be interested in your sharing with us your insights into the American presence in the Persian Gulf, your analysis of our actions in the last year or so, the reflagging of the Kuwaiti tankers, whether or not you felt that that was wise at the time, and how you think it has turned out, and what contribution you believe that our presence there made to the end of the war between Iraq and Iran.

Most particularly, what do you see with respect to the future of the American presence in the gulf and any continuing protection you feel may be necessary for either American or non-American shipping in that waterway.

Mr. TOWER. In retrospect, I believe, of course, that the policy was a correct one. And I believe that my impressions were at the outset that what we were doing was right.

I might have disagreed with a detail now and then, but for the most part, fundamentally, I supported the posture of the Reagan administration in the Persian Gulf, and I think it has borne fruit.

As far as what portends for the future, I think for the foreseeable future that there will have to be an American presence in the region. Now that takes us to the question of how much of an American presence.

There is a great political value to the American presence, as I have noted before, in addition to the military value of that presence. And it may be that the presence of a somewhat smaller course than we have been accustomed to in the region would suffice for both military and political purposes.

And it may be where we have had ships continually on station in certain areas that we could go to random deployments. I say maybe. I am not prepared to make that judgment right now.

Senator GORTON. Apparently, almost half of the tankers which were reflagged will remain under the American flag, and will qualify for such under our U.S. vessel safety requirements within the next year or so.

Do you expect that these ships will remain American flagships and that they will be entitled to American protection——

Mr. TOWER. I am sorry. Would you——

Senator GORTON. My understanding is that of the 11 Kuwaiti tankers which were reflagged under our flag, six have now reverted to some other flag. But the five will qualify by next year for permanent American flagging, despite their ownership.

Are you familiar with this? Do you believe this to be a good idea? Will they continue to be entitled to some kind of special treatment from our——

Mr. TOWER. Senator, I must confess I am not up to speed on that issue, and really could not give you an enlightened comment right now.

Senator GORTON. All right. One other question. In connection with that presence, I agree wholeheartedly with your answer to my first question, that it was an appropriate response to the challenge with which we were faced over a year ago, and that in fact it was a successful response.

At the same time, many of the benefits of that American presence in the Persian Gulf rebounded in favor of the Japanese specifically and of other nations which are far more dependent on petroleum products from the Persian Gulf than the United States.

Is that an example in which this country should have sought some kind of special help or payment or burden-sharing from those allies who benefited the most?

Mr. TOWER. Most of the benefit of what we did there accrued to western Europe and Japan.

That is to say, it was really more in their interests than in ours, because a much smaller percentage of our imported energy comes from that region than theirs. But, again, it was still in our national interest to be there.

And two, we could not quite expect the dedication of naval resources from western Europe that we were able to provide, because the maintenance of a naval force is very expensive and smaller countries with smaller military budgets are not able to maintain the kind of fleet of capital ships the United States can maintain.

Even if they were contributing ~~the same~~ percentage of GNP to defense that we were, they would not be able to maintain the numbers of deployable capital ships that we do.

So I think an answer to that is that the slack should be taken up by increased utility of naval assets by the western European nations in the area of NATO concern, around the NATO littoral.

That is to say, they could increase their contribution to naval capability to make up for the fact that we have to deploy our ships in areas outside the defined boundaries of NATO, but nonetheless areas of critical interest to them.

Then an addition to that is that these nations could do more in the way of non-military assistance, or even military in terms of security assistance, to nations that are friendly to the United States and friendly to the West but do not have the resources.

Senator GORTON. Would you comment on Japan?

Mr. TOWER. Japan certainly should be doing more. And we commented on that, I think, at some length yesterday. And I think we should continue to insist that the Japanese contribute a substantially larger percentage of their GNP to defense than they do.

Senator GORTON. Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator Gorton. I believe Senator Dixon is next.

Senator DIXON. Thank you, Mr. Chairman. Senator, I would like to talk about several kind of unrelated subjects that are of personal concern to me to see what your view might be or to see whether you would at least entertain the thoughts of this Senator with respect to the obligations in particular of my subcommittee, the Subcommittee on Readiness, Sustainability, and Support, which, as you know, I chair.

I continue to be concerned, Senator, about the evidence we see every year that in certain areas of readiness and sustainability we are actually getting worse and worse, notwithstanding the very immense investments we have made in our national defense—you know, in things like depot maintenance, ammunition purchases, hours of training, and a variety of other things.

I think we can make a fairly compelling case that a man of your understanding, I think, would be concerned about regarding many of these subjects. And when you compare that to some of the things we are doing, expenditures that I see, like homeporting, I know some would take exception to that, the new aircraft carriers.

A lot of money that is spent on some bases in foreign countries bothers me a good deal. I wonder whether we have our priorities straight, and I wonder whether you would be open to listening to us about those concerns. Those—I see at least some other Senators here that share my views about those problems.

Mr. TOWER. Certainly, Senator, because I am not insensitive to those problems myself.

Senator DIXON. See, what bothers me, if I may interrupt you, sir, there are not many constituency groups for ammunition, depot maintenance, and things like that. They are mundane, not exciting.

Mr. TOWER. That is true. That is true. Unfortunately, there is not the large constituency for defense expenditures that there is for a lot of non-defense expenditures too. That is the problem we have in terms of defense spending.

But I think that the problem that you mention is exacerbated by the fact that, if we have to achieve quick savings, about the only way you can realize quick savings in a given fiscal year is to go to outlays.

And the spend-out rate for manpower and for operation and maintenance is so high that that is sort of the grab bag that you reach into, because programs are relatively low spend-out in the first year, 15 percent or something like that.

So this exacerbates the problem, having to get near-term savings out of outlays. But—but let us examine it together. I would be happy to work with you on that.

Senator DIXON. I would like that very much, and if somebody you have particular confidence in could attend our hearings this year, that would be an advantage, I think, that we would greatly appreciate from the standpoint of telling our story to you.

Mr. TOWER. I can assure you we will have somebody there, Senator.

Senator DIXON. Another thing that concerns me in the procurement area—again, as I indicated to you earlier, it is an area in which I have special concerns.

I still think we could do a lot better. I have indicated that to you, my support for the Under Secretary of Defense for Acquisition in giving more strength to that office. And I am not advocating a French system, may I say, Senator, but I think that oftentimes our system is too competitive between the services.

You know, we have the Air Force and the Navy now both developing on a separate basis their fighter planes and so forth, and it seems to me that we could do better, to get better cooperation.

At a time when you are going to be responsible for more bang for a buck, it seems to me there are places you can look and find great savings in a big hurry.

Mr. TOWER. Absolutely. You are preaching to the choir, sir.

Senator DIXON. God bless you for that. Another thing that I probably will not be reflecting a majority viewpoint on in some respects, but I would like to share with you, is that I oppose the base closing bill. That is now a fait accompli, and there will be some battles fought over it.

But I am concerned about the closing of some domestic bases, though I think a compelling case can be made that the findings are flawed. Now, I don't expect any commitments from you on this, but I am concerned that we will want to develop the record on certain findings, on certain bases only.

Even in my own State, not on everything that has been done, but on certain cases where we find what we consider to be flawed procedure, flawed findings, I would like to feel that we could have an audience with your people first.

And second, I find it personally offensive that the Department—now, of course, prior to your controlling the Department—the Department responded to me when I expressed concern about foreign bases, and I put a provision in the bill they should look at foreign bases, by saying they did not have time to look at foreign bases.

They looked at no foreign bases, they closed American bases. There was just an article in the Washington Post yesterday that we spend more in West Germany than we do in any State of the Union except California, and it seems to me that some of our priorities are subject to question in this regard.

And while I understand the fact that the base closing procedure is probably highly popular with the American media, and perhaps with the public, I would ask that we look at the whole question of foreign bases vis-a-vis our domestic commitments in connection with this session of the Congress.

Mr. **Tower**. We will be looking into that, and that will be part of our extensive review.

Senator **Dixon**. I thank you, Senator.

Senator **Exon** [presiding]. Thank you very much, Senator. Senator Wilson.

Senator **Wilson**. Thank you, Mr. Chairman. Senator Tower, yesterday excerpts of speeches and articles that you had made and written were read back to you for your comment. I must say, I was for you before you responded. But your comments only confirmed my judgment that we had the right man.

And I will only say that I would hope that if in your judgment you found that Congress had been guilty of over-reaching of the kind that prompted the veto of the defense authorization bill last year by President Reagan, that you would make a recommendation to him, or to President Bush rather, that there be a veto.

And I hope last year's experience will prove salutary, and therefore make such action unnecessary in the future. And knowing you, I am entertaining a little apprehension about that.

But second, let me say that as you come to this enormous responsibility, and the cost constraints that have occupied much of our time here in the confirmation hearing and that will occupy even more of yours, there is one area which I think has been somewhat neglected in the past by your predecessors, or if not neglected I do not think there has been sufficient attention.

You are going to be presiding over an incredible inventory. There is nothing anywhere in the world in the private sector, or in the public really, to match it.

And very frankly, I think, as was true even when I was a young marine many, many years ago, those in the line expressed something akin to disdain for bean counting. And the military has not been very good at bean counting.

And the result is that whether you are talking about the individual services, or the Defense Logistics Agency, there have been repeated incidences of the most serious lapses in terms of management, and even such fundamental responsibilities as physical security for sensitive gear and equipment.

And GAO over the past couple of years, as a result of my importuning Chairman Goldwater to create a task force for the purpose of oversight of defense inventory management, GAO has brought forth repeated documentations of the derelictions of all the services—some are worse than others.

So let me just say that we are, I think, contributing nothing to readiness and contributing a great deal to the waste of too-scarce tax dollars by inadequate supervision of a very basic responsibility, and that is defense inventory management.

The military, I think it is safe to say, in too many instances does not know what they have, they do not know where it is, and in many cases they do not guard it properly.

So I would simply say that I think, sir, that it is going to require much closer attention, much greater surveillance, than it has had in the past. GAO is confident that is wasting a frightful amount of money, but they are really reluctant to try to quantify it.

Having said that, and having talked about dollars, leads me to the question that I have for you. In terms of strategic modernization we are obviously confronted with the need to choose between competing systems. And this committee has been rather sharply divided as it relates to the land-based deterrent.

The argument that you frequently hear in favor of the Midgetman is that we must have a survivable deterrent, and that in order to achieve survivability we have to have mobility. And I do not think you would find any division on that question.

Those of us who have expressed grave doubts about the Midgetman have stipulated to the need for mobility but we would say that it can be achieved in a variety of ways, not just by Midgetman but by the rail garrison MX, certainly by the Trident and the D–5.

But as it relates just to the land-based deterrent, the argument is expressed by the proponents of Midgetman that it is necessary, in order to give us the additional time when and if we ever had to scramble the road-mobile missile, to deal with a bolt-out-of-the-blue Soviet attack.

But in hearings with the Air Force last year, I believe that the response was made by the Chief of Staff, former commander in chief of SAC, General Welch, in response to a question that I asked, how likely, what is the plausability of this bolt-out-of-the-blue attack scenario?

The response from the Air Force was, it is irrational, because in order to achieve that kind of surprise they would have to leave themselves virtually undefended, so vulnerable to a counter-strike that it is just not a rational thought. I would be interested in your evaluation of that question.

Mr. Tower. I have always felt that the bolt-out-of-the-blue scenario is an unlikely scenario, because of all the forces that have to be marshalled to launch a first strike, or a bolt-out-of-the-blue.

And in the marshalling of those resources your intelligence would be able to monitor that and pick it up pretty quickly. I do not say, however, that we should not be prepared for that eventuality.

So that is about the only comment I could make on it right now. I think we should be prepared for it. I do think it is unlikely.

Senator Wilson. I would—my time has expired, but I would like to pursue with you the alternative conclusion which even the unlikely bolt-out-of-the-blue attack poses, and that is that perhaps a response that we might concentrate well upon would be that of strategic defenses.

Mr. Tower. Well, I think strategic defenses are part of our overall modernization strategy, to defend against that kind of thing.

Senator Wilson. Well, I quite agree. I think that all too often the question——

Mr. Tower. That might have a tendency to deter it. Anything that deters a first strike, of course, sharply reduces the likelihood of a bolt-out-of-the-blue.

Senator Wilson. Whether we call it defense or offense. Thank you.

Senator Exon. Thank you, Senator Wilson. Senator Levin.

Senator LEVIN. Thank you, Mr. Chairman. Just to wind up this budget issue, if we can, I quoted to you what Dick Darman said, that he believes the administration would prefer a sequester to new taxes, and I asked you if you agreed.

My conclusion from your answers are that you cannot give us a clear-cut yes or no to that question.

Mr. TOWER. That is right, Senator, I cannot.

Senator LEVIN. That is fine. Relative to the question that I asked you yesterday, I have one clarification on that as well, and that is, you said that you are a realist when it comes to constraints, fiscal constraints.

And I thought there was a difference, a significant difference in tone from what you had said in 1983 when you said that there was a critical need for the security effort to remain independent of the fluctuations of domestic policies.

Is it your current feeling that you are a realist and that you understand that fiscal constraints are there and they are going to constrain defense spending?

Do you believe now that it is relevant, appropriate, and legitimate to consider fiscal constraints in determining the size of the defense budget? Or that it is going to happen as a reality, appropriate or not?

Mr. TOWER. I think fiscal constraints are a discipline on your management, your procurement practices, a discipline that impacts on your prioritization of systems.

As I said earlier, it could be that even through the discomfort of these constraints it may have the effect of forcing us to do things, both in the executive branch and the Congress, that we should have done earlier.

Senator LEVIN. Does that mean then that it is legitimate to consider those fiscal constraints——

Mr. TOWER. Yes, it is. However, in the final analysis, if the threat to the United States is sufficiently great that we come to the conclusion that our existing capability is inadequate to meet that threat, we must do what is necessary to meet it.

Senator LEVIN. Regardless of the deficit?

Mr. TOWER. Regardless.

Senator LEVIN. And are we in that situation——

Mr. TOWER. Because—I don't believe that we are now, but I have not had an opportunity to run an analysis, a net assessment. These are judgments that I will not be able to make until I really get over there and get a handle on the Department.

Senator LEVIN. At least at this moment you do not believe we are in that situation?

Mr. TOWER. I do not think so, Senator. But I am not going to make any irrevocable statements. I am not going to etch anything in granite.

Senator LEVIN. On the ABM Treaty, I believe you this morning indicated that you felt that in the near term that the narrow interpretation of the ABM Treaty does not constrain development of SDI.

And I am wondering whether——

Mr. TOWER. I think what I said was, I do not believe that we contemplate doing anything in the near term that would be considered a breach of the narrow interpretation.

Senator LEVIN. All right. My question is the following. At the rate of growth that is requested in the Reagan budget, how long do you estimate that the SDI program would be unconstrained by the narrow interpretation?

Mr. TOWER. I can not say at what precise point in time, and a great deal will depend on what we perceive national security requirements to be.

Senator LEVIN. Would it be your estimate that at least for a few years it will remain unconstrained?

Mr. TOWER. I would be hesitant to try to give you a time estimate. I would say that certainly for the immediate biennium probably——

Senator LEVIN. The next couple of years?

Mr. TOWER. But I am not really prepared to set a timetable or say at what point we reach the threshold of having to go to the broad interpretation in the national interest.

Senator LEVIN. I am wondering what you meant by near term. Does that mean a couple of years?

Mr. TOWER. In a biennium, I would say. But I do not even want to be held to that.

Senator LEVIN. And I believe in answer to Senator Gore this morning, relative to the deployment of SDI, and President Bush's statement that he would deploy SDI when feasible, you indicated that you just do not know whether or not that means technologically feasible or financially feasible or whether or not policy-wise it is wise to——

Mr. TOWER. I think that——

Senator LEVIN. If I could just finish—policy-wise whether or not it is wise to do it. Is that true?

Mr. TOWER. I think that remains to be defined within the national security process, which is only beginning to get organized in this administration.

Senator LEVIN. I understand. And my question then is, is it possible then that the word "feasible" means desirable?

Mr. TOWER. I think there is an element of desirability in terms, for example, of an accidental launch protective system.

Feasibility, I think, refers primarily to what is technologically feasible. Is it practical? Can we do it? Do we have in hand state of the art that will permit us to deploy, for example, an effective ALPS system?

But again, in that everything is undergoing, or will be undergoing a thorough review, within the national security process of this administration, I cannot go much beyond what I have said.

Senator LEVIN. My time is up. Thank you.

Chairman NUNN [presiding]. Thank you, Senator Levin. Senator Lott.

Senator LOTT. Thank you, Mr. Chairman. All of these issues are certainly of monumental importance at the Department of Defense, burden-sharing, a decision on ICBMs, defense inventory management.

But I run into some other problems occasionally. One of them gets to the point of medical benefits for our military personnel, and our retirees. They are very important to the morale of our military personnel and retention and everything else.

But I understand that when you get into a position of looking for places to make savings once again sometime, maybe that is a place you would look. Militarily you are inclined to think, well, I am going to look for the weapons systems and so forth and not have adequate funds perhaps for doctors and military facilities.

And I would just like to get your reaction to this problem, and it is a problem now in the military.

Mr. TOWER. Well, my response to that, Senator, is we have to save smart. That is to say, we can save money immediately.

We can perhaps in the next fiscal year, in fiscal 1990, we could do a lot of things that enable us to retain more money in our pockets but we are kicking the can down the road and paying more later on, stretching out production, losing economy of scale and increasing per-unit costs. So we are paying more for the same systems.

But the area you have just mentioned is really vital, because if we do not have adequate incentives for retention we will be paying more for manpower eventually and not less. Because given a shortfall in our ability to retain people in skilled positions, we have got to recruit new ones and train them.

The training process is expensive. If we do not have adequate medical care for people and discourage them and they do not stay in, we have a problem on our hands.

And you can look at any aspect of skilled positions where we want high retention rates, across the board, medical, technical, engineering, aviation. And it is false economy not to provide the kind of pay and incentives and fringe benefits, to use a private sector term, that will enable us to keep these people. That is not saving smart, in my view.

Senator LOTT. I have the distinct impression that over the last couple of years it seems like there has been an increasing number of concerns.

I know I have been receiving complaints about the availability of facilities and adequate number of doctors. And I realize that is tough, because it is so much easier for them to be in the private sector.

But now I understand OMB has looked at, or has proposed some sort of user fees for these benefits. Maybe it is just something they are looking at. I have not been working in this area long enough to know.

But I hope that you will take a close look at——

Mr. TOWER. Well, I certainly intend to be informed on anything OMB might be considering of that nature.

Senator LOTT. One last question, if I could. Being from Texas, you are familiar with the fact that in the gulf we are very prone to hurricanes down there, and the Air Force has some aircraft commonly referred to as the hurricane hunters.

And they have done a magnificent job, I think, over the years——

Mr. TOWER. They have.

Senator LOTT. Flying into these hurricanes and learning a lot about them, and it is an early warning system, and I feel very strongly, and I am told by NOAA officials that they do not feel that just satellites are enough, or their computers, that we really do need these hurricane hunters.

But the Air Force for the last couple of years has been wanting to try to find a way to not fly those planes. And there has been a lot of discussion about moving it over to NOAA. NOAA has said, we are not in the airplane business. We do not want to do this.

I do think we need the hurricane hunters. They serve a very vital purpose. And I hope that you will join others and see if we cannot find a way to keep those airplanes flying until we have some system, some alternative, that will provide us the information we need without the airplanes.

Mr. TOWER. I have physically participated with four hurricanes in my State, and I can attest to God's fury. And it is of great importance, I think, that we retain this capability.

I cannot comment any further on it except to express my interest.

Senator LOTT. Well, I hope you will look into it. Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator Lott. I want to echo that medical care point that Senator Lott made. I think it is very important.

I do not know what all the answers are, and if there are any easy ones I have not seen them. But I do think that that has got to be given some real attention out there, because we are going to see an erosion of morale both in the uniformed military and also in the retired community, which reflects back on the uniformed military, because——

Mr. TOWER. I agree, Senator. And I am glad to work hand in glove with you on that one.

Chairman NUNN. One thing that I just wanted to mention, and I will recognize Senator Byrd next, and it is something that needs exploring, as I view it.

There are a number of retired doctors, there are a number of doctors retiring earlier now, more doctors in group practice, more doctors in hospitals where single practitioners usually retire very late, many of them retiring in their sixties and even fifties.

And I am told that in a number of cases doctors have wanted to get into the military, in Guard or Reserve, and then serve on weekends and weeks and months at a time sometimes, and that can have a big relief value factor for the retired community in a number of areas. And these are very well-qualified doctors that were making formerly probably upwards in six figures and way beyond.

I would hope that you would take a look and get your manpower people to take a look at a better utilization of that because some doctors are having difficulty getting into the National Guard and Reserve, even though they would like to.

That may be an untapped manpower medical pool that could be valuable.

Mr. TOWER. I agree. As a matter of fact, an old collegemate of mine, a very successful doctor, when he achieved about the age of

50 expressed to me an interest in going into the Navy, and had discovered that the Navy was not taking 50-year-old doctors.

I think you are right that perhaps that might be an untapped pool that could be utilized in some way.

Chairman NUNN. It probably would not help us in Europe and Korea and Japan. I doubt if we are going to have very many that are going to want to go to far distant places. But it could alleviate some of the burden at home——

Mr. TOWER. It could.

Chairman NUNN. That would then free up others. I will be in touch with you as we go along on that.

Mr. TOWER. All right.

Chairman NUNN. Senator Byrd.

Senator BYRD. Thank you, Mr. Chairman. Senator Tower, I would like to continue along the line of interest which I began on yesterday. I quote again from your Georgetown University speech of April 14, 1988. I quote this paragraph which I quoted yesterday:

> I watch with increasing concern a trend toward congressional intrusion into foreign policy-making. This intrusion has been manifested by such actions as the War Powers Act, the Church Committee, the Boland amendments, and most recently the embarrassing tug of war over the INF Treaty, all of which have detrimental effects on the President's ability to conduct an effective foreign policy.

Now, just what did you mean when you used this phrase, "and most recently the embarrassing tug of war over the INF Treaty"?

Mr. TOWER. Within the Senate, there were differing views on INF. Some believed that we should ratify it as is. Some believed that we should put restraints, perhaps a few even amendments that might require renegotiation of the treaty.

I think that this was embarrassing from the standpoint of other nations—now however legitimate this debate might have been, and I am not questioning the legitimacy of it. But in terms of the perceptions that other people have of us and our ability to function with dispatch in ratifying an agreement that had been tentatively arrived at and preliminarily signed.

I think what we have to understand is that most nations have parliamentary executive systems. We do not. And our separation of powers is not clearly understood by people in other parts of the world, either our friends or our adversaries, which places an element of uncertainty in the reliability of American policy.

Therefore, I think that lacking the kind of internal discipline that you find in the parliamentary executive systems, that we have to develop some sort of discipline ourselves.

Again I suggested yesterday that not confrontation between executive and legislative but active cooperation may be the partial step toward the resolution of that problem.

Senator BYRD. Well, Senator Tower, you know as well as I know that the controversies over treaties did not begin with the INF Treaty.

They began with the Indian treaties which George Washington and his first Secretary of War, General Knox, who weighed 300 pounds, came to the Senate and expected to get approved on the same day he was there.

Also, the Jay Treaty resulted in acrimonius debate in the Fourth Congress in 1795. Surely, I hope you do not expect the Senate, in carrying out its appropriate Constitutional role, to be overly concerned about what other parliamentary governments may perceive by way of controversies that may arise in the U.S. Senate with respect to the contents of a treaty.

You come to the Defense Department with the great advantage of having been one of the foremost and major arms control negotiators in Geneva, and I think that you are to be complimented on the work that you did.

But I find it difficult to understand that you would look upon that discussion in the Senate as an "embarrassing tug of war." I think the Senate went about carrying out its role in a very careful, thorough way.

I had pressures from the White House to bring up the INF Treaty, pressures from the Republican side of the aisle to bring up the treaty quickly, pressures from my own side of the aisle in Democratic conferences to bring up the treaty quickly—"let us get on with it—so that the President can have it when he goes to Geneva," was the hue and cry.

I took the position that the Senate had a Constitutional duty to carefully examine the treaty, and to approve the ratification thereof only in the event it was in the best interests of the United States. I refused to be pressured into bringing up that treaty prematurely.

And as a result, the Senate Committee on Armed Services, chaired by Senator Nunn with Senator Warner as the ranking member, found what we considered to be some flaws that needed to be corrected.

And, likewise, Senator Boren and Senator Cohen, chairman and ranking member ~~of the~~ intelligence committee, found some matters that they were uneasy about. Critical ambiguities were found regarding futuristic weapons, in the case of the arms committee hearings.

As a result of these careful and thorough probings by these two committees that I have mentioned, the negotiators went back to the Soviets and cleared up the ambiguities by virtue of an exchange of notes, and an agreed minute, negotiated with the Soviets, which was incorporated by reference into the resolution of ratification by way of a condition precedent to the final exchange of instruments by the leaders of the two nations.

The Senate did not take up the treaty until the two parties concluded the inspection protocol, which laid out the mechanism by which on-site inspections were to be made. The Soviets had raised some last-minute problems, you will recall, and I took the position that I would not bring that treaty up until the Armed Services Committee was satisfied and the Intelligence Committee was satisfied, and that we had something not just orally but something in writing from Geneva that would satisfy our concerns. And our negotiators, as I say, went back and those matters were cleared up.

General Colin Powell indicated to me and to others on both sides of the aisle that, as a result of the very thorough study given by the Senate, the time that it had taken in its critical but constructive analysis, the treaty was a better treaty.

So, I am proud of the role that the Senate performed in that instance, and I am proud of the role that the negotiators played over a long period of many months. I just wanted to understand from you just what you meant by referring to a "tug of war over the INF Treaty" in the Senate.

It was not a "tug of war," it was the proper functioning of the Senate in carrying out its role under the Constitution. The President shall have power, by and with the advice and consent of the Senate, two-thirds of the Senators present concurring, to make treaties.

We felt we did our work responsibly, and I hope with my explanation that, whatever impression you may have had as to what was going on in the Senate, will be clarified, and that in the future we might all have a better understanding of what we are trying to do in this Senate by way of working with the administration in developing arms control treaties which are in the interests of our national security.

Mr. TOWER. Senator, I respect the traditional Constitutional role of the Senate in the treaty ratification process.

Nothing that I have said in any of my remarks that you may have quoted from or in others that you may not have, in which I expressed similar sentiments, have indicated that I believe that there should be any Constitutional change.

I believe that the Senate should have the power to approve the ratifications treaties, to confirm the appointments of diplomats. I believe that the Congress should have the power of the purse over the national security and foreign policy apparatus, and that itself is a very significant power.

I think what I am suggesting throughout is that the Congress apply some discipline and some restraint in the way that it uses its power. That has been the thrust of what I have said.

I have been a participant in the kind of process that you are talking about, because in 1980, I believe it was, 1979 or 1980, in any case, before the SALT II Treaty was submitted for consent to ratification and—of course, it was ultimately withdrawn by President Carter—but it was scrubbed by the Armed Services Committee, as I believe such treaties should be.

Not that we at that time distrusted the Foreign Affairs Committee, but I think prudence would dictate that that committee that deals with the military aspects of a treaty should scrub the treaty. That is good procedure.

And I recall that in 1979 or 1980 the Armed Services Committee of the Senate, by a vote of 10 to 0, with 7 abstentions, concluded that the SALT II Treaty was not in the national security interests of the United States.

That was a significant step. Perhaps I should have, in my remarks, pointed out the constructive contributions that have been made by the Senate, indeed by the whole Congress in the process from time to time.

But my function in these remarks was to illuminate what I considered, and do consider, to be an unfortunate trend in an era in which I think we have to have a comprehensive long-term reliable foreign policy that is not nit-picked and piece-mealed from time to time.

And I think again, as I stated in my peroration last evening, that the way to achieve that is by closer executive and congressional cooperation.

Senator **Byrd**. Mr. Chairman, I know that my time is up. If I could add just one postscript.

Reference has been made by Senator Tower to the SALT II Treaty. The SALT II Treaty went down the drain when the Soviets invaded Afghanistan in December 1979, whereupon I called President Carter on the telephone and asked to see him.

I said, Mr. President, we cannot—we do not have the votes in the Senate to approve the ratification of that treaty. I will not call it up, and I did not call up that treaty. I am not sure that he ever withdrew it. It was on the calendar to be called up, but I never called it up.

Chairman **Nunn**. I do not think he withdrew it formally. I think he simply said he understood it was not going to be taken up or something of that nature.

Senator **Byrd**. Yes. Now, if I may, Mr. Chairman, Senator Dole and I offered an amendment last year requesting the President to report to Congress on various alternative strategic weapons force structures under the circumstances of deep cuts in such forces with a START agreement, and called for a report on this matter by March 15, 1989.

I am sure that Senator Tower has no knowledge of this amendment at all and would not have any reason to have, I wonder if I might hand this to him. And, Senator Tower, if you could, after you have looked that over, if you could respond in keeping with the action of the Senate, which was supported, as I say, by both leaders last year, and give to us a timely report in accordance therewith.

[See attached.]

[100th Cong., 2d Sess., House of Representatives, Rept. 100-753]

NATIONAL DEFENSE AUTHORIZATION ACT, FISCAL YEAR 1989

Conference Report to Accompany H.R. 4264

July 7, 1988.—Ordered to be printed

SEC. 908. ANALYSIS OF ALTERNATIVE STRATEGIC NUCLEAR FORCE POSTURES FOR THE UNITED STATES UNDER A POTENTIAL START TREATY

(a) Findings.—Congress makes the following findings:

(1) The United States and the Soviet Union are currently engaged in talks regarding the reduction of strategic nuclear arms.

(2) Such talks could result in a treaty requiring deep reductions in the strategic forces of the United States.

(3) Any such Strategic Arms Reduction Treaty (START) cannot be ratified without the advice and consent of the Senate.

(4) Any such START Treaty should result in a stable balance of strategic forces between the United States and the Soviet Union which enhances the security of the United States.

(5) Congress should provide funds for the forces permitted under such a treaty that are required to ensure the stability of the force balance under such a treaty.

(6) Congress faces critical resources choices for fiscal year 1989 and subsequent fiscal years, and the resource choices made by Congress for those years could substantially influence the strategic force posture of the United States in the period after such a treaty goes into effect.

(b) Presidential Report.—Before entering into any Strategic Arms Reduction Treaty or other agreement with the Soviet Union for the reduction of strategic arms, but not later than September 15, 1988, the President shall submit to Congress a comprehensive report on the implications such a treaty or agreement might have on the strategic force postures of the United States during the 1990s. The report shall include the following:

(1) A description of alternative force postures that might be permitted for the United States under such an arms reduction agreement, including the posture recommended by the President.

(2) The estimated costs, over at least a seven-year period, associated with each alternative force posture.

(3) The damage limitation capability, the survivability, and the retaliatory potential of such force posture, and the implications for strategic stability, assessed with regard to the likely force postures of the Soviet Union under such an agreement and the first-strike potential of such force postures.

(4) The likely effect of a breakout by the Soviet Union from such an arms control agreement on the survivability and of the force posture of the United States under such an agreement recommended by the President under paragraph (1).

(c) Form of Report.—The President shall submit the report under subsection (b) in both classified and unclassified form.

SEC. 109. EXTENSION OF DATE FOR REPORT ON POTENTIAL START TREATY

Section 908 of the National Defense Authorization Act, Fiscal Year 1989, is amended—

(1) in subsection (b) by striking out "September 15, 1988" and inserting in lieu thereof "March 15, 1989"; and

(2) by striking out subsection (c) and inserting in lieu thereof the following:

"(c) Interim Report.—The President shall submit an interim report to Congress containing the information described in subsection (b) not later than December 15, 1988."

"(d) Form of Report.—The President shall submit the reports under subsections (b) and (c) in both classified and unclassified form.".

Mr. Tower. You want me to respond in writing to this, Senator?

Senator Byrd. I beg your pardon?

Mr. Tower. Would you like me to respond in writing to this or do you want me to read it now and respond?

Senator Byrd. No, I am not asking you to respond to it now. But if you would take a look at it and then if you could respond as the resolution calls for.

Mr. Tower. Yes.

Senator Byrd. The executive has not yet responded to that. And I am asking you if you could give this committee assurance that you will respond to that resolution.

Mr. Tower. I will respond within a reasonable time, Senator, and that means pretty soon.

Senator Byrd. Thank you, Senator Tower. And thank you, Mr. Chairman, for your indulgence.

Chairman Nunn. Thank you, Senator Byrd. Senator Warner.

Senator Warner. Thank you, Mr. Chairman. Mr. Chairman, first I want to mention that you and I prepared a letter to the Attorney General of the United States on the subject of "Ill Wind." The Attorney General has replied, the substance of it being that there is no knowledge that he has, or within his department information which would bring into question in any way Senator Tower's qualifications to take on the post to which the President has designated him.

And I ask that that be included in the part of the executive record relating to the matters we entered into this morning.

Chairman Nunn. You want the letter we wrote to be put in the record?

Senator Warner. Both letters.

Chairman **Nunn**. Without objection.

Senator **Warner**. Senator Tower, we spent some time earlier today on the subject of the budget, and I am glad that you pointed out the seriousness of the question of sequester.

It is my hope that you will be part of the team in there, hopefully negotiating an agreement with the Congress on the budget numbers. Are you able at this time to tell us exactly what role you will play in that negotiation? Hopefully a major role?

Mr. **Tower**. Yes, I will be one of the key players in that, Senator.

Senator **Warner**. Do you anticipate, or would you argue on behalf of any summit agreement which would include at least 2 years of the budget targets?

Mr. **Tower**. I am not sure I fully comprehend what you mean by 2 years of the budget targets.

Senator **Warner**. An agreement which would take over a period of 2 years.

Mr. **Tower**. Yes, yes. I think from the standpoint of putting certainty and stability into the system that it is desirable to do that.

Senator **Warner**. In the event we were faced with a sequester situation, and recognizing the importance of the welfare of the men and women who wear the uniform of the United States, would you recommend to the President that he protect military personnel accounts if a sequester were necessary?

Mr. **Tower**. Military personnel accounts—I was under the impression such accounts were already protected, Senator. But that might be a flaw in my knowledge or understanding.

Senator **Warner**. He ~~has the~~ option to protect them. That is the way the law is written.

Mr. **Tower**. He has the option to.

Senator **Warner**. That is correct.

Mr. **Tower**. Yes, I——

Senator **Warner**. You would urge him to——

Mr. **Tower**. Yes. That would have to be essential. Obviously we could not live with the consequences of failure to do that.

Senator **Warner**. The United States and NATO are about to reenter a wide range of arms control negotiations. There are negotiations on chemical weapons, conventional arms, strategic forces, defense and space systems, as well as further limits on nuclear testing.

Some distinguished strategic thinkers have criticized our negotiating positions in certain areas. For example, they are being negotiated in a conceptual vacuum. Will you review our negotiating positions in the various talks to ensure that stability is not undermined by a particular treaty?

Mr. **Tower**. I will review those, and discuss whatever impressions I have within the national security process of the administration.

Senator **Warner**. Will you also examine the net effect of all of our negotiating positions on the U.S. and NATO deterrence posture and our ability to deter if certain things fall?

Mr. **Tower**. Yes, Senator, that is something that should be applied to any kind of arms negotiation.

Senator **Warner**. In your answers to a number of questions, especially those having to do with strategic modernization and arms control, you noted that administration positions on these matters must await the results of a thorough national security review.

Can you provide the committee any insights into how this review will be conducted and what role you envision you will play, and most likely the schedule on which the Congress would have——

Mr. TOWER. Senator, again, I will be one of the key players. But the Secretary of State, the National Security Advisor, and I have only met informally to discuss process. And we will have that more firmly in place within a few days.

Senator WARNER. Will you have shall we say, a formalized process established between yourself, the security advisor, and the Secretary of State?

Mr. TOWER. There will be a formalized process. As you know, each President has his own style of doing things. And we are in the process of seeing that style translated into the proper directives that will determine the nature of the process as utilized by this President.

Senator WARNER. Will there be some informal relationships with the leadership of the Congress, such that perhaps the view of the leadership can be infused into this process?

Mr. TOWER. Yes. It is obviously the intention of the President that the leadership of the Congress should be consulted on vital matters of national policy.

Senator WARNER. And in particular, the three that you mentioned, that will be working on this—yourself, the Secretary of State, and the National Security Advisor.

Mr. TOWER. Yes. I would fully expect that they would.

Senator WARNER. Let me ask one last question. This morning we discussed at some length the issue of prevention of conflicts of interest.

One area of concern has been that of the so-called consultants to the Department of Defense, as well as consultants to defense contractors.

Last year the Congress passed, in section 8141 of the Defense Appropriations bill, a requirement that the Office of Federal Procurement Policy issue a policy on consultant registration for all Federal agencies.

The matter has been referred to them, and a proposal for public comment by the end of this month is expected. After that letter is issued in final form, each agency will be required to issue regulations within 6 months implementing the policy.

It is my belief that we should await the completion of the regulatory process on the registration issue before we contemplate any new legislation. Are you aware of that legislation that was passed last year?

Mr. TOWER. Yes, I am aware of it, Senator.

Senator WARNER. Do you feel——

Mr. TOWER. And I did respond to questions on this presented to me in writing by Senator Levin.

Senator WARNER. Yes, I realize you did. But I did want you to respond to my last one.

Do you feel that that legislation provides sufficiently clear guidelines on the use of registration as a means of preventing conflict of interests without creating an unreasonable paperwork burden and other administrative burdens to the Government on defense contractors?

Mr. TOWER. Senator, I would hope you would not hold me to a conclusive answer on that right now until I have been better able to get a handle on this.

I have not had identified to me any unnecessary burdens. But I would not like to make a conclusive statement on that at the moment.

Senator WARNER. We will pursue this a little further later. Thank you, Mr. Chairman.

Mr. TOWER. I think it might be useful, and Senator Levin has personally informed me he had no objection for me to have included in the record—it could be in an annex or an appendix—the written questions that he submitted to me and my responses in writing, if that is agreeable, Mr. Chairman.

Chairman NUNN. Do you have those now? Or you are saying you will send them for the record?

Mr. TOWER. I think the committee has got them.

Chairman NUNN. All right. If we have them we will put them in the record at this point, without objection.

[The information referred to follows:]

QUESTIONS SUBMITTED BY SENATOR CARL LEVIN

Senator LEVIN. One of the major issues raised by the "Ill Wind" scandal last summer was the lack of oversight and control over consultants in the defense field. Questions were raised as to both—

(a) the conduct of defense contractor consultants (some of whom appear to have been directly implicated in the investigation); and

(b) possible conflicts of interest of consultants to the Department of Defense itself.

1. What measures do you propose to take to improve oversight and control of consultants in the defense field?

Mr. TOWER. The Department has several initiatives under way to improve oversight and control of consultants:

The cost principles governing allowability of consultant costs are being revised and will be incorporated into the Federal Acquisition Regulation.

The results of the Defense Contract Audit Agency's expanded special audit of consulting costs will be provided to contract administrators to support overhead rate negotiations with the audited contractors.

The Office of Federal Procurement Policy's expected policy statement on consultants' conflicts of interest, required by the fiscal year 1989 DOD Appropriations Act, will be considered and applied as appropriate to DOD's use of consultants.

The Federal Acquisition Regulation is being revised to implement Section 27 of the Office of Federal Procurement Policy Reauthorization Act, "Procurement Integrity," which requires certifications that no unauthorized source selection sensitive information has been obtained from the government during the course of a procurement.

Other appropriate actions will be taken as necessary.

Senator LEVIN. Should DOD consultants be required to disclose related work that they are doing for private clients so that the Department of Defense can determine whether there is a potential conflict of interest? If the answer is yes, what steps will you take to ensure that such information is made available to contracting officers?

Mr. TOWER. Consultants' disclosure of potential conflicts of interest raised by their work for private clients and DOD is appropriate. The Department is working with the Office of Federal Procurement Policy to prepare the policy guidance on consultants required by the fiscal year 1989 DOD Appropriations Act to address this issue.

Senator LEVIN. Do you think DOD should use consultants to perform core government functions such as establishment of source selection criteria and evaluations of bids? What do you think the limits in functions should be regarding DOD's use of consultants?

Mr. Tower. Government personnel generally should perform core governmental functions. The assistance of consultants may, of course, be useful to government personnel in performing their functions. Consultants should not be assigned governmental functions in which their private interests would conflict, or appear to conflict, with public interests.

Senator Levin. Do you support registration of DOD consultants and/or consultants to defense contractors? How should such a registration program be conducted?

Mr. Tower. A method of registering consultants that (1) elicits information necessary for identification of potential conflicts of interest resulting from a consultants' work for both DOD and third parties, and (2) is not unduly burdensome, would be appropriate for review.

Senator Levin. Do you plan to undertake a review and clarification of DOD rules regarding the disclosure of procurement and planning information to defense contractors?

Mr. Tower. A number of initiatives are under way or planned to address the relationships between departments and agencies and their contractors.

The Department of Defense has begun a review of policies on release of planning and procurement data.

The recently enacted Office of Federal Procurement Policy Reauthorization Act established new ethics restrictions applicable to employees and contractors. Regulations will be issued to implement these restrictions.

President Bush announced on January 12 that he would establish a bipartisan panel on ethics that will review ethics in government and make recommendations for improving the legal and regulatory framework governing the conduct of Federal employees.

Senator Levin. Will you be prepared to discipline DOD officials who leak inside information or otherwise show favoritism to particular contractors, even if this favoritism is not illegal?

Mr. Tower. The Department of Defense will fully and faithfully execute laws applicable to its activities, including acquisition. The Department will also observe codes of conduct and ethical principles as they apply to acquisition.

Favoritism in acquisition is unacceptable and will not be tolerated. It is a gross breach of trust—the trust of the American taxpayers who foot the bill and the trust of America's fighting men and women whose lives may depend on the materiel being acquired.

DOD officials who breach acquisition laws, rules and regulations will be subject to criminal, civil or administrative sanctions through the applicable adjudicative processes.

Senator Levin. What other measures, if any, do you think would be appropriate to increase controls over the improper flow of information from DOD officials to defense contractors?

Mr. Tower. Instilling in all personnel of the Department of Defense a sense of personal accountability will be a primary function of the Department's civilian and military leadership. That accountability extends to information to which DOD personnel have access in the performance of official duties.

Departmental personnel performing inspector general functions have a special duty to ensure the integrity of the acquisition process. They will be responsible for aggressive programs to verify proper protection of official information.

Senator Levin. In December 1988 the Department of Defense issued a "Contractor Risk Assessment Guide" ("CRAG"), containing suggested internal control systems for defense contractors to prevent false claims, labor mischarging, and similar offenses. Secretary Carlucci has recently suggested that these internal control systems should be made mandatory for major contractors.

Do you believe that the CRAG is a good approach to reducing fraud, waste, and abuse by defense contractors? Do you agree that this system should be made mandatory for major contractors?

Mr. Tower. The CRAG is a reasonable approach for improving oversight of defense contractors. The CRAG program is aimed at strengthening DOD oversight through improved reliance on contractor internal control systems. The program encourages contractors to establish and maintain effective internal controls in the areas of labor charging, indirect cost submission, material management and accounting systems, estimating systems, and purchasing. It places more responsibility on the contractor to prevent incidents of fraud, waste, and abuse. Increased reliability of contractor internal control systems should permit DOD to use its own audit resources more efficiently.

Secretary Carlucci recently directed that a regulation be drafted to establish a Code of Conduct Program that would be mandatory for all contractors receiving

DOD contracts of more than $25,000. He did not direct that the CRAG program be mandatory. Any decision whether to convert CRAG from voluntary to mandatory should await experience with CRAG under the voluntary regime.

Senator LEVIN. The suspension and debarment process is one of DOD's primary tools for protecting itself from unscrupulous contractors. In recent years, there have been a number of cases in which DOD subcontractors have provided the government with defective products. In some of these cases, the subcontractors have been suspended or debarred from further receiving further contracts.

Will you support strong procedures to prevent DOD's prime contractors from placing subcontracts with suspended or debarred companies?

Mr. TOWER. The Department of Defense has proposed to the Civilian Agency Acquisition Council an amendment to the Federal Acquisition Regulation to prevent prime contractors from awarding subcontracts to debarred or suspended contractors. The proposed regulation would ensure that contractors cannot by subterfuge defeat suspensions and debarments. The proposed regulation would permit DOD to make exceptions on a case-by-case basis. Such an exception requires a prior written submission by the prime contractor detailing compelling reasons for an award to such subcontractors and identifying procedures and systems the contractor has established to protect the government's interests.

If the CAAC agrees with the proposal, this amendment to the acquisition regulation will be published in final form.

Senator LEVIN. Whistleblowers can serve as an important check on fraud, waste, and abuse by identifying potential problems and abuses at an early stage.

Do you support the right of DOD employees to communicate freely with the Congress, the Inspector General, and various law enforcement agencies when they believe they have evidence of fraud, waste, or abuse within the agency?

What measures will you take to assure potential whistleblowers within DOD that they will not be retaliated against [ ] because of their disclosures?

Mr. TOWER. Whistleblowers—those who identify and report mismanagement, fraud, waste and abuse—deserve the thanks of the Nation. They assist in assuring that American taxpayers' dollars are spent efficiently and effectively.

The Department of Defense supports fully the freedom of its employees to communicate about mismanagement, fraud, waste or abuse in accordance with applicable law with Congress, Inspectors General, and law enforcement agencies. Employees have not only the freedom, but in many cases the legal duty, to report misdeeds of which they become aware.

Federal laws providing protection against reprisal for whistleblowing military, civilian and contractor personnel will be fully and faithfully implemented to protect whistleblowers.

Senator LEVIN. In the past 10 years, the Department of Defense has done several studies of the profitability of defense contractors. However, these studies have been done on an ad hoc basis, using a different methodology each time. The changing methodology of the studies and the irregular basis on which they have been done has made it more difficult to assess the impact of DOD policies on defense contractor profitability.

The Defense Authorization Act for Fiscal Year 1989 requires DOD to establish and review, on a regular basis, an integrated financing policy, covering progress payments, profits and contract risk. The Office of Federal Procurement Policy (OFPP) Reauthorization Act of 1988 requires OFPP to develop a consistent methodology that executive agencies should use to measure contractor profitability.

Do you believe that regular DOD studies of contractor profitability, performed on the basis of a consistent methodology would be helpful in establishing and reviewing the Department's integrated financing policy? As Secretary of Defense, will you be an advocate for profit studies? Will you direct the use in such studies of the consistent methodology to be developed by OFPP?

Mr. TOWER. Studies of contractor profitability that use a consistent methodology would be of use in reviewing the Department's integrated financing plan. The Department should conduct periodic studies of contractor profitability.

Both the Fiscal Year 1989 Defense Authorization Act and the OFPP Reauthorization Act require the development of a methodology for analyzing contractor profitability. The Defense Authorization Act requires the establishment of an advisory committee to recommend a financial analysis methodology to the Secretary of Defense to be used for any future profit studies conducted by DOD. OFPP has agreed to participate on the DOD advisory committee, and thus a mutually acceptable methodology should be developed that the Department could use in future profitability studies.

Profitability studies focus attention on profits earned and on noncompetitive contracts, which constitute about 25 percent of the contact dollars awarded by the Department. The most important issue is how to reduce the prices paid for goods and services while maintaining quality. In order to reduce the prices it pays, the Department should continue to examine systematically business, contractual, and technical aspects of procurements for opportunities to eliminate unnecessary requirements, streamline and simplify the way it does business, encourage competition, and improve quality.

Senator LEVIN. A number of independent procurement experts have advocated DOD's increased use of commercial products as a method of reducing procurement costs. Section 907 of the Defense Authorization Act for Fiscal Year 1987 established an express preference for the purchase of "nondevelopmental items" that could be made available with minor modification of items that are available in the commercial marketplace. However, DOD has continued to develop its own detailed specifications for items that could be purchased in the commercial marketplace.

How strong a priority do you intend to place on increasing DOD's use of commercial products and non-developmental items? What impediments do you see to the increased use of such products? What steps do you plan to take to overcome these impediments?

Mr. TOWER. The use of non-developmental items is receiving high priority in DOD. The Department has issued an acquisition regulation to promote the use of these items and has increased the number of non-government standards available in order to reduce reliance on military specifications. DOD is also using more purchase descriptions, rather than specifications, to buy commercial products. Further use of non-developmental items and purchase descriptions will be encouraged.

Senator LEVIN. On several occasions in recent years, DOD has chosen to pursue concurrent development and production of major defense systems. Because the system's design is not fixed when production begins, concurrency can significantly increase cost and schedule risk.

Do you believe that the concurrent development and production of major systems is a good practice? What measures, if any, do you plan to take to minimize the use of concurrency and/or the resulting cost and schedule risk?

Mr. TOWER. Concurrent development and production can, but does not inevitably, cause cost and schedule delay problems. A well-conceived and implemented concurrent development and production strategy can be an effective tool to correct the long lag-time noted by the Packard Commission in fielding major weapons systems.

An August 1988 Congressional Budget Office (CBO) study found "no strong relationship" between concurrency and schedule delay. CBO examined 14 weapons systems and found only one case—the Copperhead—that suffered substantial schedule slippages because of its concurrent development. In addition, the CBO study found only a "modest relationship" between concurrency and cost growth. Examining the same 14 weapons systems, CBO found only one case—the Patriot missile—where substantial cost growth could be traced to concurrent development.

Concurrent development and production has in some cases gone awry and should be, in general, the exception rather than the rule.

Senator LEVIN. In testimony before this committee in July 1988, David Packard derided meaningless "paper work" competition in which contractors are required to meet "a bunch of 'mickey mouse' requirements that have absolutely nothing to do with doing the job right." Do you agree with that statement? What do you think are some of the those "mickey mouse" requirements? How do you plan to address these requirements?

As Secretary of Defense, what steps will you take to ensure that competition is real, and not focused on artificial "paper work" requirements?

Will you advocate competitive prototype strategies, under which prototype systems or subsystems are subjected to comparative testing using combat performance requirements? If so, what measures will you take to ensure that such strategies are applied?

To what extent do you think it is useful for DOD to use performance specifications, rather than design specifications, for major systems and subsystems? If so what measures will you take to ensure that such strategies are applied?

Mr. TOWER. The Department of Defense must redouble its efforts to eliminate unnecessary paperwork facing contractors.

In many cases performance specifications, rather than design specifications can be used, encouraging appropriate creativity and innovation.

Competitive prototype strategies may also prove useful in some cases. In certain situations, however, the costs of prototyping may outweigh its benefits.

The Under Secretary of Defense for Acquisition, with the Service Acquisition Executives, will be responsible for ensuring that performance specifications and competitive prototyping strategies are appropriately used.

Senator LEVIN. Last summer, Secretary Carlucci testified before this committee that structural problems with the DOD acquisition process, including the existence of too many "intervention points" for defense contractors, create incentives for such contractors to—"(1) concentrate on short-term profits at the expense of long-term investment; (2) divert funds and management attention to trying to intervene in congressional and DOD decisions; and (3) aggressively seek information and access affecting contract awards, through consultants or other means."

Secretary Carlucci suggested that unnecessary "intervention points" could be reduced by a new policy strictly limiting the use of multiple "Best and Final Offers" (BAFOs) in the award of competitive contracts. Do you believe that a strict limitation on the use of multiple BAFOs is an appropriate response to this problem? Do you have proposals for change in this area?

Mr. TOWER. A strict limitation on the use of multiple requests for "Best and Final Offers" is a way to address the problem of too many intervention points in the acquisition process. The Department of Defense issued a new regulation to control the use of multiple BAFOs in August 1988 as an amendment to the DFARS. The new policy requires close monitoring and control at appropriate management levels in order to avoid auction techniques, enhance protection of source selection sensitive data, and ensure fairness and promptness in contract awards.

There are other ways the current system can be changed to effect acquisition improvements. Biennial budgeting, multiyear procurement, and baselining are the most significant structural changes required. The cooperation of the Congress on biennial budgeting and multiyear procurement will be essential to achieve efficiency and cost savings.

Senator LEVIN. Section 1207 of the Defense Authorization Act for fiscal year 1987 established a goal of awarding 5 percent of DOD contract dollars to socially and economically disadvantaged small business. In recent years, DOD has awarded only 3 percent of its contract dollars to socially and economically disadvantaged small businesses.

Do you believe that the 5 percent goal is realistic?

What steps do you intend to take to meet this statutory goal?

Mr. TOWER. The Department of Defense has the same obligations as other departments and agencies to carry out the Federal commitments to assist disadvantaged small businesses and to ensure that taxpayers' dollars are used with maximum efficiency. The Department will work to enhance the opportunities for small disadvantaged businesses to participate in a larger share of its prime and subcontract procurement opportunities, to make progress toward the 5 percent goal.

Senator LEVIN. Section 901 of the Defense Authorization Act for fiscal year 1987 created a new Under Secretary of Defense for Acquisition and gives him the authority "to direct the Secretaries of the military departments and the heads of all other elements of the Department of Defense with regard to acquisition matters." The first Under Secretary of Defense for Acquisition, Richard Godwin, resigned after complaining that his authority had been undermined by the Deputy Secretary of Defense and the service Secretaries.

Do you believe that it is important to have a single DOD official who is responsible for establishing the Department's acquisition policies and supervising acquisition throughout the Department?

Do you intend to give the Under Secretary of Defense clear authority over the services on acquisition matters? Will this include the authority to direct the service Secretaries as to decisions on particular procurements?

How strong a priority will you be placing on finding a strong and effective Under Secretary of Defense for Acquisition?

Mr. TOWER. The Under Secretary of Defense for Acquisition (USD(A)) will work closely with the Service Acquisition Executives (SAEs) to streamline the acquisition organization and provide clearer lines of communication for program managers. The Department is reorienting its activities to facilitate the streamlining.

The USD(A) has the authority to direct the Secretaries of the military departments with regard to matters for which the Under Secretary has responsibility. The USD(A) currently chairs the Defense Acquisition Board, of which the Service Acquisition Executives are members. The USD(A) works closely with the SAEs on acquisition matters. The USD(A) would appear to have appropriate authority to perform the USD(A) duties effectively, but this issue will be reviewed in coming months to ensure the effectiveness of defense acquisition.

The essence of the Packard Commission acquisition improvement program is to find the right people, train them well, give them the authority to do their jobs, give them short lines of communication and adequate staffs, and hold them accountable for results. The Department of Defense will implement this approach.

Senator LEVIN. The Packard Commission recommended that each service have a full-time Service Acquisition Executive. In the last administration, the Air Force was the only military department to follow this recommendation—the Army and the Navy each designated their Under Secretaries to serve as Acquisition Executive.

Do you believe that it is important for each military department to have a single official who is responsible for establishing the acquisition policies and supervising acquisition throughout the department? Should this be a full-time job?

As Secretary of Defense, will you require each military department to designate a full-time Service Acquisition Executive?

Mr. TOWER. The Service Acquisition Executives play critical roles in the defense acquisition process through establishment of service acquisition policies and supervising service acquisition. The Secretaries of the military departments will be held strictly accountable to the Secretary of Defense for the performance of the Service Acquisition Executives they designate.

Senator LEVIN. Section 138 of Title 10 establishes an independent Director of Operational Test and Evaluation (OT&E) within DOD to ensure that operational testing and evaluation in the Department are realistic and unbiased. The General Accounting Office recently reported that OT&E reports fail to provide a complete and accurate picture of weapon performance and are systematically biased to show a more favorable assessment than is likely to be found when the weapons are employed in combat conditions. Do you agree with that assessment? Do you see any failings in the testing operation? If so, what are they and how can they be corrected?

Do you agree that realistic and unbiased operational testing and evaluation is an essential element of any responsible procurement process?

Do you believe that an independent office of OT&E is an effective means of achieving realistic and unbiased operational testing and evaluation?

What measures do you intend to take to ensure that OT&E reports are realistic and unbiased?

Mr. TOWER. Realistic and unbiased operational testing and evaluation is an extremely important element of the acquisition process. Comprehensive test planning and execution in an environment simulating combat conditions, within the limits of resources, safety and security, is a critical function. The Department of Defense's Director of Operational Test and Evaluation (OT&E) is charged by law with performing that function. His job is to determine whether weapons systems do what they are supposed to do.

The Director, OT&E provides his assessment of weapons systems to the Secretary of Defense and the Under Secretary of Defense for Acquisition, thus ensuring that senior acquisition decisionmakers have direct access to independent and accurate assessments of those systems.

The Director, OT&E should report immediately to the Secretary of Defense any effort to improperly influence his judgment.

Senator LEVIN. Each of the military departments has an internal audit organization, charged with performing independent reviews and evaluations of the effectiveness and efficiencies with which the services carry out their responsibilities. Recent General Accounting Office (GAO) reviews of the activities of the service audit agencies have revealed serious deficiencies in audit planning, execution and reporting. The GAO also found that the close relationship between the audit agencies and the management of the military departments "could cause a perception of impaired independence."

Do you agree with the GAO's assessment? Do you believe that a strong independent audit function is important to the efficient operation of the military departments?

Mr. TOWER. Strong, independent and effective audit organizations in the Department of Defense are essential. The audit organizations of the military departments will continue to contribute substantially to operating efficiencies and management improvements.

The internal audit organizations of the military departments play a vital role in conducting independent reviews and evaluations of the activities of their respective departments. Their work assures the senior managers of the military departments that departmental responsibilities are being executed effectively and identifies needed improvements. The quality of the audit organizations' work depends in part upon their professional independence, and that independence will be preserved.

The Inspector General of DOD has oversight and policy responsibility for all DOD audit organizations. This IG function, coupled with the direct access of the Service Auditors General to their service Secretaries, is designed to ensure the independence of the service audit organizations.

The Inspector General of the Department of Defense in 1986, and the General Accounting Office in 1987, conducted oversight reviews of the service audit organizations. They disclosed particularly serious concerns with the Naval Audit Service. In response to IG/DOD and GAO recommendations, the Naval Audit Service has increased the training available to its auditors and replaced certain less-experienced military supervisors with more-experienced civilian supervisors. The DOD Inspector General plans to conduct a follow-on review in the coming months to determine whether the problems have been satisfactorily corrected.

Senator Levin. Virtually every recent review of the defense acquisition system has concluded that we need to increase the professionalism of the acquisition work force. Reform proposals have included everything from establishing a separate civilian acquisition agency for all the services to creating a career acquisition force within each service.

Do you believe that we need to increase the professionalism of the DOD acquisition work force?

Do you support the establishment of an independent civilian acquisition agency and the unification of procurement for all the services?

Do you support the creation of a career acquisition force within the military?

What other steps would you advocate to enhance the professionalism of the acquisition work force?

Mr. Tower. DOD has taken steps toward further professionalism of the DOD acquisition corps. The Department worked with OPM to establish a requirement for 24 hours of business-related courses for entry level contracting personnel and to improve acquisition personnel qualification standards. The Department has directed that the Defense Systems Management College coordinate all acquisition education programs and has also issued a manual outlining acquisition career paths and education requirements. Experience criteria and mandatory training requirements are being established for military and civilian program managers and contracting personnel.

The establishment of an independent civilian acquisition agency and unification of procurement for all services have a number of significant disadvantages. Above all, the authority and accountability of the chain-of-command must be preserved. Measures DOD has taken and plans to take will enhance the effectiveness of the acquisition system and our acquisition personnel.

Senator Levin. During hearings held in July before the Subcommittee on Oversight of Government Management, DOD promised to correct serious failings in safety programs governing DOD-funded research related to chemical warfare and defenses to biological warfare. Dr. Thomas J. Welch, Deputy Assistant to the Secretary of Defense (Chemical Matters), promised to institute such improvements as issuing new chemical and biological safety regulation, establishing a "Central Biological Defense Safety and Security Office" to mirror existing DOD chemical safety offices, requiring contractors performing defensive biological research to follow safety regulations and undergo safety inspections, opening DOD research facilities to safety inspections by OSHA, and devoting increased resources to safety concerns.

Would you, as Secretary, implement the promises made at the July hearings to improve safety controls on DOD-funded research related to chemical warfare and defenses to biological warfare?

Would you support establishing a separate biosafety office, within DOD, which mirrors the existing chemical safety office? Would you support staffing this office with biosafety specialists whose duties would include conducting safety inspections and providing biosafety information at DOD facilities?

Mr. Tower. Safety must be a top-priority concern with U.S. chemical and biological defense programs. The Department of Defense has taken care to ensure that safety.

Currently, the Director for Army Safety is the central authority and focal point for all aspects of the Army Safety Program, which applies to chemical and biological programs. The Director has been responsible for establishment and oversight of the biological defense safety program managed by the Army Safety Office. The biosafety program has been developed to match more closely the chemical safety program.

The organization of defense chemical and biological safety functions should be reviewed.

Senator Levin. In June 1988, the Committee on Government Operations issued House Report 100–728 which describes serious deficiencies in the management structure of the Strategic Defense Initiative Organization (SDIO), including their failure to institute an internal management control system required by the Federal Manager's Financial Integrity Act and the failure to maintain an adequate and authoritative database on SDI contracting activities, despite SDI appropriations totaling more than $12 billion.

Are you familiar with this report? Do you have any proposals for improving SDIO management controls?

Mr. TOWER. A key issue outlined in House Report 100-728 was the lack of an Internal Management Control (IMC) Program within the SDIO. To ensure effective implementation of an IMC Program, SDIO established a management division to fully develop and implement the program in fiscal year 1987 and fiscal year 1988. The Director, SDIO, prepared the Annual Statement of Assurance for both fiscal years stating compliance with the Federal Management Financial Integrity Act. The DOD Inspector General conducted a review of the IMC Program in August 1988, and certified SDIO compliance with the act.

Senator LEVIN. There is some suggestion that SDIO does not plan to provide complete, authoritative data on its contracting activities prior to fiscal year 1988. As Secretary, would you require SDIO to provide complete and authoritative information on its contracting activities since its inception in 1985?

Mr. TOWER. SDIO is committed to providing complete and authoritative data on contracting activities since its inception.

During the past year, SDIO has made major improvements in the amount of contract data collected in its contract base. The number of records in the data base has increased from 8,000 to over 14,000 since March 1988. The DD Form 350 data on SDIO contracts also will be provided to the Federal Procurement Data System for use in accordance with the system's normal procedures.

Senator LEVIN. The Federal Advisory Committee Act (FACA), 5 USC App. 2, imposes cost and management controls on federal agencies that establish or utilize advisory committees. DOD has established at least 60 advisory committees. Hearings before the Governmental Affairs Committee in 1988 demonstrated weakness in DOD's overall compliance with FACA, as well as a complete breakdown within SDIO. DOD has promised to improve its FACA compliance. Do you support the goals of FACA and would you, as Secretary, require rigorous compliance with that statute? Would you support an effort to amend FACA to clarify and strengthen the ethical constraints on federal advisory committee members?

Mr. TOWER. The overall goal of the FACA is to provide federal agencies, including the Department of Defense, with the ability to consult the nation's experts on a wide array of issues while preserving the confidence of the public in the process of government.

The Department of Defense must fully and faithfully execute statutes applicable to its activities, including the Federal Advisory Committee Act.

The issue of changes in ethical constraints on members of Federal Advisory Committees should be addressed on a government-wide basis.

Mr. TOWER. But I would suggest, when Senator Levin is here, that he be given the opportunity to assent to what I have just asked.

Chairman NUNN. We will——

Mr. TOWER. I think he has no objection.

Chairman NUNN. We will check with him. Senator Glenn. We know you have been busy in your own hearings and——

Senator GLENN. I have indeed, ever since this one started. And I apologize for that, but——

Chairman NUNN. And I was supposed to be at your hearing, so I hope I have an excused absence.

Senator GLENN. And I was supposed to be at yours. So we will share mutual responsibilities here.

Mr. TOWER. Some things never change, Mr. Chairman.

Senator GLENN. I am concerned about our total force policy.

Some 15 years ago we formulated the total force policy for our national security and we integrated the functions of active duty military forces with more functions going to the Reserve and Guard.

One of the major realignments at that time was that a substantial shift of combat support and combat service support functions into the Guard and Reserve, particularly in the Army—the consequences of that shift is that today the Nation is more than ever dependent on military people who are not on full-time active duty in case we go to war.

The Regulars provide support for the first 2 to 3 weeks, then we have to have the backup combat support, combat service support, and the Reserve units come in and the other areas also.

Some people, Shy Meyer, Jim Webb, for example, have argued we have gone much too far in this shift; just let me give an example of this. Today we find that 45 percent of our support elements in the Army Reserve are not combat ready.

In other words, that backup, after the first couple of weeks, or two is not there, literally is not there. And their capability to perform adequately is questionable.

Now, I have thought for about the last 3 years that we needed to maybe reassess this whole total force concept. Let me give another example.

We turned 80 percent of combat medical over to the Reserves to fill—and I do not quarrel with that in its original decision, but here is the way it has worked out.

Right now, in the Reserve, of that 80 percent, we are 71 percent short of doctors, 66 percent short of nurses. That translates to 7,000 doctors and 31,000 nurses short. So the Reserves meeting that commitment in that area just is not working.

And I have thought for the last several years as we watched these numbers climb, and our capability in these areas becomes less, that we may need to fall back and take a look at our total force concept.

Now, that changes our military procurement perhaps, changes personnel costs, which already are approximately 50 percent of our overall defense budget right now in one form or another.

And so I would appreciate your comments on this, because I understand while I was not here earlier, there have been some comments on maybe putting more functions in the Guard and Reserve, we could do that more cheaply than we do things now.

But the bottom line has to be, we have to be ready to go to war. And I am concerned about what we already have there and whether we need to realign the total force concept because right now if we went to war we are in bad shape.

And we do not have the combat support, we do not have the combat service support. And medical is an absolute unmitigated mess right now.

So I would appreciate your comments on that whole miserable package.

Mr. TOWER. Senator, you are obviously far better versed on this than I am and you followed it very closely. I have not followed it so closely.

There is a lot of pressure from various quarters to put more into the Reserve, to put what is required in the way of surge capability in the Reserve rather than maintain them on active duty on a daily basis when they are not required, under the financial constraints we are going to have to operate under.

But I agree with you, and we have had some earlier discussion of this when you were out of the room, that if we are going to do this they have to be ready, and they have to be up to snuff.

Senator GLENN. Well, do you think it is time——

Mr. TOWER. Otherwise we imperil ourselves when the balloon goes up and we do have to fight.

Senator GLENN. Do you think it is time that we could start a general study of the whole total force—I know we cannot, I am not expecting you to do that——

Mr. TOWER. I think—I think it ought to be reviewed periodically. I think you have to probably, on a very regular basis, review your total force concept. I think conceptually it is sound. But in implementation it may be seriously flawed.

Senator GLENN. Another reason for doing it periodically too is your demographics of military personnel; they are really changed over a period of time.

Mr. TOWER. It changed.

Senator GLENN. For instance, we had people who came out of Vietnam with air combat experience and they were better than some of the Regular squadrons. They literally were.

And they filled in the Reserve squadrons, and they have received some of the highest ratings in war games and in testing, they run the highest. But those people now are beginning to phase out.

And so we do not have that combat experience in those units, so we need to reassess some of those aspects of the total force concept also. So I hope we can work together on some of those things. I think we are not in good shape on this.

Mr. TOWER. There are many instances in Vietnam—I was out, for example, with a National Guard squadron from Iowa of F-100s, and they were regarded as one of the best outfits in Vietnam, they are first class.

And I think you can find throughout the Reserve establishment instances of individual units that can really hang in there with the Regulars, in some instances maybe a tad better from time to time. That is what I would like to see all of the Reserve force be able to do.

Senator GLENN. We are getting to the point—my time has expired—we are getting to the point where those people that had the combat experience, and therefore made the Reserve in some respects better than many of the Regular units, that population is now getting out and we are having to replace them then with people that have been trained through the normal pipeline, and that is a different level of capability.

Mr. TOWER. That is true. Of course, we are facing up to that loss of combat experience in the Regulars as we get further and further away.

Senator GLENN. I have some other questions on manpower but my time has expired for this round.

Chairman NUNN. Thank you, Senator Glenn. I believe Senator Cohen is next.

Senator COHEN. If I could, Mr. Chairman, earlier today I referred to a study put out by CSIS, and I would indeed commend that to Senator Tower.

There is another paper prepared by the discussion group on strategic policy, which consisted of Harold Brown, Brent Scowcroft, Les Aspin, Dick Cheney, myself, Joe Jordan, Sam Nunn, Jim Schlesinger, John Warner, James Woolsey, and Bud McFarlane, that should be presented within the very near future, and that is also a study that I would call to Senator Tower's attention.

Between the break, Senator Tower, I mentioned the importance to me of the low-intensity conflict issue. It is something which has been treated with derision or indeed even contempt by some members of the Pentagon.

A distinguished journalist who is in the audience today—he need not raise his hand for identification—but nonetheless he attended a conference that was sponsored by the Joint Chiefs of Staff some time ago which dealt among other things, with the subject of terrorism, insurgencies by guerrilla forces, and so forth.

And at one point during the conference a member of the JCS, or a staff member, actually broke into laughter over the fact that the low-intensity conflict board has never had a meeting.

Now, if that is the attitude with which the Pentagon looks upon what we have tried to do in redirecting and focusing attention upon what I believe to be the most likely threat, I think we have a serious problem.

I do not think the American people are laughing, either at the size of our defense spending, nor at what they see as some of the waste involved; nor would they laugh if indeed they were told the full story about some of the matters that were handled by the military in the past.

I will not undertake to disclose those in public, but I think the full stories have not been told about Grenada and other operations.

I do not see this as a laughing matter, and I would hope that those who are in the Pentagon under your leadership would come around to the view that this is indeed, in the words of Secretary Shultz, in the words of the President's own commission on low-intensity conflict, one of the most serious threats that we face, and one that we are currently least prepared to deal with.

And so I do not think it is a laughing matter. I hope that you, Senator Tower, will direct a good deal of your resources toward making our capability of dealing with low-intensity conflict one of your top priorities.

Mr. TOWER. I do not think it is a laughing matter either, Senator.

I was in Grenada just a few days after our incursion into Grenada, and I think some of the flaws in that operation were very, very apparent indeed. I think the key to it is that we almost always have unit integrity. And it is not necessary in every instance to involve every service.

This whole idea of everybody has got to have a little piece of the action has got to be scrutinized very closely. I do not think it is a laughing matter at all.

Senator COHEN. And just one final point. In my remarks this morning I indicated I thought our position should be, one, to ban MIRV missiles. I meant to indicate mobile MIRVed missiles.

I think we have to encourage single-warhead, the single-warhead mobile system and to ban the type of large——

Mr. TOWER. You are talking about the SS-24.

Senator COHEN. That is correct. And, for that matter, if it were applied equally, the MX itself. I am not a supporter of the garrison, the rail garrison concept. But nonetheless——

Mr. TOWER. I had somehow come to that conclusion, Senator.

Senator COHEN. That is all I have, Mr. Chairman. Thank you.

Chairman NUNN. This committee is not unanimous on that subject, although I must say I am with Senator Cohen on that. But we have a very split committee.

Mr. TOWER. I am well aware of that.

Chairman NUNN. Probably a split administration, a split Pentagon, and yet we have got to come to conclusions on it.

Mr. TOWER. I think any hard decision we make is going to be controversial, it is going to be controversial here in the Congress. And I do not foresee an easy road ahead regardless of how we come out in the decision-making process.

Chairman NUNN. Senator Glenn, let me recognize you next, if you would like to, for another round. I know you had to be gone.

Senator GLENN. All right, fine. I would appreciate that. Thank you, Mr. Chairman.

Back on the manpower issues again, GAO has recommended reductions to the military retirement system as a way of reducing the deficit. Do you believe the Congress should make changes to the military retirement system in that way?

Mr. TOWER. Well, Senator, I certainly think you cannot make it apply to those who are already in that retirement system.

Any change you would make would have to apply to people who have not yet entered the service, or in my view you are breaking a contract, or it is tantamount to breaking a contract, or treating your promises to those that you induce to enter the services as breakable.

Senator GLENN. I agree with you 100 percent on that. Let me take it a little different direction here. In 1986, Congress——

Mr. TOWER. No doubt we could achieve economies, but you know, it is not a terribly honorable way to do it, to renege on a promise.

Senator GLENN. I agree. In 1986 Congress reformed the military retirement system for all members entering the military after August 1, 1986.

The budget that President Reagan submitted proposes a freeze on cost of living increases in fiscal year 1990 and then a permanent reduction to future cost of living increases for all current and future military retirees effective in fiscal 1991.

Now, a major feature of the 1986 change to the military retirement system was that it applied prospectively only. This was a major accommodation. Do you agree with the current proposal for a permanent reduction in cost of living allowances for current and future retirees?

Mr. TOWER. I believe that if Congress deals with COLAs in a general way, they should be made equally applicable to the beneficiaries of all entitlements programs, whether it be military retirees or not.

Now, I am aware that over the past few years the cost of living adjustments have actually exceeded the inflationary factor. And now maybe some adjustments should be made along the line.

But I think you should not single out military retirees for that kind of thing. And that is beyond the ken of my area of responsibility.

Senator GLENN. I think that is what the Reagan budget proposed, and I would hope that the Bush budget would reflect some changes in that area, because I agree with you, I do not think you have people sign up under one idea, one contract, one idea of what their benefits are going to be, which is part of the overall compensation package, then get them in mid-career and say, we did not really mean it, we are going to pull part of that rug right out from under you. I just think that is wrong.

So, you might be able to speak to the people that will be making the changes in the budget if you agree with that. I hope that they do not go down that same route that President Reagan proposed.

Mr. TOWER. Well, of course, COLA's are subject to change and adjustment anyway. Congress determines what the COLA's are going to be. I am not sure that is reneging on a promise.

I think changing the overall benefits or the nature of the program in mid-stream is wrong, and does break a promise.

Senator GLENN. Well, as I understand the proposal, the proposal would be for a permanent reduction in cost of living allowances for current and future retirees. It would be across the board for everybody. And that in effect is a—that is a reduction in retired pay, in effect, if you are keeping——

Mr. TOWER. Yes. That is understood.

Senator GLENN. Also, the budget that President Reagan submitted proposes a 3.6 percent pay raise for military personnel in fiscal year 1990.

This pay raise is below projected wage increases in the private sector of 4.2 percent, but would essentially keep pace with projected inflation as measured by the consumer price index. Concurrently, the budget proposes a 2-percent pay raise for Federal civilians.

As you may recall, the actual pay raises authorized for military and civilian personnel have been the same for the last 3 years. It has been 3 percent for both, in fiscal year 1987, 2 percent for both in fiscal 1988, and 4.1 percent for both in fiscal 1989.

What is your view on authorizing different pay raises for military and civilian personnel? And what would you intend to recommend as far as any increase for Federal civilian pay to the same level as the military pay raise in fiscal 1990?

Mr. TOWER. Senator, I am not prepared to say what I would recommend at this point, because quite frankly it is not an area that I have had an opportunity to get myself well-informed in.

I suppose I have sort of a visceral feeling that because of what we expect of military people, and the sacrifices we expect of them, and separation from family and hazardous duty and a number of other things, that probably more incentives are required to retain good people in the military than to retain them in civilian employment.

I think we just have to look at it from the practical standpoint of retention. I do not think you have quite the problem in civilian employment that you do in the military.

Senator GLENN. Just one last question, if I might. The budget President Reagan submitted proposes a 2-year pilot program to require user fees in the provision of health care to non-active duty—in other words dependents and retirees. What do you think about requiring user fees for non-active duty health care beneficiaries?

Mr. TOWER. I would prefer not to comment on that right now, Senator. I have not formulated an opinion on it.

Senator GLENN. These are things of great interest, obviously, to retirees and active duty personnel since all this will apply to them some day also.

Mr. TOWER. Yes, it will apply to them some if it becomes permanent.

Senator GLENN. Thank you. My time is up. Thank you, Mr. Chairman.

Chairman NUNN. I believe that COLA provision, Senator Glenn, only applies to retirees. That does not diminish the significance of it, but the active duty people are not covered in that.

Senator GLENN. Mr. Chairman, you are correct on that point—I was talking about future retirees who are now on active duty.

Chairman NUNN. I believe, Senator Wilson.

Senator WILSON. Thank you, Mr. Chairman. Senator Tower, I have before me a copy of an excerpt from the Washington Post of January 20, which is entitled, George Bush: Promises To Keep, and is a series of excerpts from comments that the President has made during the campaign and since.

And under the heading of defense and foreign policy there is a quote on the Strategic Defense Initiative. Let me, just read it to you.

> My policy will be to develop a viable strategic defense system, and outgrowth of the SDI research program, to protect our people from ballistic missile attack. I am committed to deployment of SDI as soon as feasible, and will determine the exact architecture of the system in my first term, as the technologies are tested and proven. As President, I will not leave America defenseless against ballistic missiles.

As the President's steward at the Defense Department, I assume that you are committed to helping him keep that promise.

Mr. TOWER. Senator, I think you know I have been a longtime partisan of SDI. I led the floor action in the first authorization of SDI as an integrated entity.

A lot of those programs, of course, were brought together under the SDI umbrella, a lot of existing programs. But I was the advocate of the initial authorization for the founding of SDI and have been a partisan of SDI ever since.

Senator WILSON. Let me just move now——

Mr. TOWER. Incidentally, let me just add one thing. I am even more a partisan of it after having spent 14 months as strategic offensive arms negotiator than I was then.

Senator WILSON. Let me, picking up on your experience in those 14 months, ask you what leverage did you feel that you were given by the threat of deployment of the single-warhead mobile missile sometime in the late 1990s?

Mr. TOWER. There is difficulty to assess, say, the potential for the deployment—I suppose you are referring to Midgetman, the potential deployment of Midgetman.

I think the whole overall strategic modernization program, which includes SDI, which includes C3, B-1, B-2, MX deployment, all of these—all of these elements of the strategic modernization program were a factor in, one, encouraging the Soviets to negotiate, and in, two, giving us some negotiating leverage that we needed, given our inferiority in terms of land-based missiles, ICBMs.

The Soviets have some three times more warheads deployed on ICBMs than we do. So it was leverage that I felt I as a negotiator needed.

Senator WILSON. Well, what I am really getting at is there is indeed a division, as the chairman has remarked and as I had earlier in his absence, and it is one of those happier if rare instances of real bipartisanship. The split is not along purely partisan lines.

But what I am getting at is that even before we achieve a START reduction that would lead to a much reduced number of warheads, you still do not, I think—I would not think you get a whole lot of leverage from 500 warheads at a cost of about $50 billion.

That strikes me as very little bang for the buck, and not much leverage. So I think that we are compelled to look at other ways to achieve that same leverage at much lesser cost.

But now, having spoken about mobile missiles, it seems to me that we and the Soviets are in a very different position. We are different geographically. That is a nation 11 time zones wide, heavily forested.

It seems to me that it will be a difficult thing for us to persuade them to go with what I think would be highly desirable, and that is a ban on mobile missiles. I do not expect they will ever agree to that.

And that being the case, if they do not, they have a far greater capacity to hide mobile missiles than do we. And in fact, it seems to me that the targeting of those mobile missiles is so difficult and so uncertain that it makes yet another and almost irresistably compelling argument for strategic defenses.

Mr. TOWER. The strategic defense initiative is envisioned as an integral part of this total deterrence capability transitioning gradually from a totally offensive deterrent strategy to a more defensive deterrent strategy.

And I think it enhances the efficacy of the deterrent over the long term, and enhances our negotiating position in the process.

Senator WILSON. Well, I could not agree with you more. And I think that it is unfortunate that we have not, in terms of our defense policy, had more integration of the concepts of offense and defense as a unified approach to deterrence, and that your statement is absolutely correct about being an enormous enhancement to our deterrence.

My time has expired. Thank you, Senator Tower.

Chairman NUNN. Thank you, Senator Wilson. I have a few questions, Senator Tower. I have been deferring here, and I will just take my allotted time, and then we will keep going.

I know you have already touched on this, but I would like to get your feelings about strategy reformulation and the timeframe and the relative role of the Defense Department versus the other agencies in the first few months of the Bush administration.

What are the plans, as you understand it, in terms of taking an early look at strategy and having strategy be the basis on which the other decisions flow?

Mr. Tower. I think the wheels are already in motion, Mr. Chairman, for first, the definition of national objectives, and then the formulation of the strategy, which will of course incorporate a great deal of existing strategic concepts, acknowledging that there has been a thread of continuity that has run through the strategic policy of every President since World War II, be he Democrat or Republican.

Now, I expect to be a very key player in that. The Secretary of Defense has a major voice in that process, at least in formulating the options that are presented to the President for his decision. He will be the ultimate decision-maker of course.

I rather think that, given the kind of working relationship that I envision among Secretary Baker, General Scowcroft and myself, along with the complementary participation of Admiral Crowe and Director Webster, we will be able to come up with a proposal that will reflect pretty good unity of thought between and among the principals within the administration.

Chairman Nunn. How about the timeframe? Do you have a timeframe——

Mr. Tower. Mr. Chairman, I think we would like to do it much faster than perhaps we practically can. And it may be that we will have sort of a preliminary definition of objectives and strategy while we are in the process of preparing one that might take a little more time and be a little more definitive.

That is about all I can say about that right now.

Senator Glenn. Sam, would you yield? I believe we are due a report that is supposed to be here by February 15, and that applies here.

I wondered if you are going to want more time on that. I would think—I would like to see additional time on that so that when we get it it is something that has been thoroughly considered.

Mr. Tower. Well, I think I noted earlier that we might ask for a little additional time.

Chairman Nunn. Yes, I think we would be——

Mr. Tower. That is a pretty short fuse for a President that is just coming into office on the 20th of January, and just assembling his team, to try to come up with a report on March 15, it is just——

Chairman Nunn. I am inclined to agree with that. Secretary Carlucci had the difficult job of having to bring the 5-year defense plan in line with the October 1987 budget summit. He had to cut out some $300 billion over a 5-year period.

When he started this process, and during the process, he laid out several guidelines to the military services. Cutting force structure, preserving efficient production rates, delaying new starts, and preserving readiness.

Now, if we look at the 1990 budget that has been submitted by President Reagan before he left office, funding on major weapons systems was cut back 9 percent through cancellations. And that included the Small ICBM, which may not necessarily, from my point of view hopefully, be canceled.

Yet spare parts were cut back 40 percent and support equipment was cut back 65 percent. I know you were one of those who alerted the country as to the so-called hollow Army. Shy Meyer coined the phrase and then it was repeated many times.

I believe that you are going to have to take a close look at this balance between modernization, new starts, force structure, and what has apparently been a decision, at least by the outgoing administration, to really take a hunk out of spare parts and support equipment, which gets right to readiness. I am sure that will be part of your deliberations.

Mr. Tower. There will be a thoroughgoing review of all of that, Mr. Chairman. That is my immediate priority.

Chairman Nunn. Well, I will not push you on it now, but it is something that we will be following very carefully and consulting with you on.

Mr. Tower. You will be getting some answers on that fairly soon.

Chairman Nunn. Secretary Carlucci—my time has expired. Senator Wilson.

Senator Wilson. Thank you, Mr. Chairman. Let us move from SDI, Senator Tower, to the subject of anti-tactical ballistic missile defense.

Given the increased capability of Soviet short-range weapons, and the potential threat that they pose to military installations, particularly airfields within the NATO theater, it would seem to me that there is a critical need for us to develop without delay an anti-tactical ballistic missile capability, not only for NATO but what seems to me to be perhaps an even more urgent need, and a more obvious peril is the potential peril to Israel, in an area where there is increasing destabilization in terms of the proliferation of not just a nuclear capability but the delivery capability, the ballistic missile capability.

There is under way, as you are aware, an effort, a joint venture, if you will, between the United States and Israel to develop that kind of capability. I would assume that that would continue to be a priority of the Bush administration.

Mr. Tower. Yes. I view it as a priority of the Bush administration. And as a matter of fact, it was even signed off on by the Bush organization in the Republican platform in New Orleans. So it is a position of the administration, until further notice, and I do not anticipate such notice.

Senator Wilson. Let me ask that you do a little theorizing, although it is not too theoretical, assessing the current strategic balance in the eastern Mediterranean.

How can the United States extend the current cooperative efforts with Israel as its regional ally to address threats that are facing NATO's southern flank?

Mr. Tower. I am not sure I understand the thrust of your question, Senator.

Of course, Israel is our principal strategic partner in that region. But I am not sure I understand what you are driving at.

Senator Wilson. Well, what I am really driving at is that we have in Turkey a NATO ally, and in Israel we have a non-NATO ally.

It seems to me that there should be some thought given to how we are able to integrate——

Mr. **Tower**. Well, now—yes. All right, now, getting it in NATO context, I was thinking of it in Middle East context.

Getting it in NATO context, of course Turkey is the southeastern anchor of our defense perimeter. And in my view, we made a terrible mistake with the Turkish arms embargo back in the 1970s we are still paying for. I might say I—that is another thing, example I have cited of congressional intrusion into the process that was unwise. But we have to continue to do everything we can to encourage and enhance their modernization process in Turkey.

Senator **Wilson**. Let me then return to the subject that was earlier discussed, having to do with SDI.

Friends and colleagues on this panel have spent long hours, both in committee and on the floor, entertaining one another. I am not sure that we have entertained anyone else. We may have caused eyes to glaze over debating this question of broad and narrow interpretation of the ABM Treaty.

What seems to me much more relevant is that we as a nation take the view that this treaty not only is one that is 16 years old but that we recognize that events and technology have overtaken us, and that some of the questions that caused the debate about broad and narrow have come to sharp focus in the development of technologies that were vaguely foreseen but not precisely perceived at that time because they were beyond technological capability.

Would you not agree that the United States should be guided in the development of a policy relating to development and testing and deployment of strategic defenses, and virtually any other weapons, by technological constraints rather than self-imposed political constraints?

Mr. **Tower**. I believe that we should not suffer ourselves to be restrained by political constraints if it is not in the national interest for us to do so.

That is a rather tortuous way of saying the answer to that question is that we must be guided by what is in the national security interests of the United States. That has to be the ultimate test.

Senator **Wilson**. Well, I would agree. I would suggest that the national security interest is one that ought to be pursued to the limits of technological constraint, and that we should not fall short of those technological constraints, we should not curb our effort by self-imposed political constraints, because I doubt very greatly that they will be successful, and it is very difficult to monitor compliance on the other side.

That is an ongoing debate that we will have. But because of the technological aspects of it, because we are talking about weapons systems, I will just repeat the point I made the other day that I think even though it is the State Department that has primary responsibility, it may be the Defense Department that has the primary ability to make the substantive input required to make the right decision. Thank you, Mr. Chairman.

Senator **Levin** [presiding]. Thank you, Senator Wilson. Senator Kennedy.

Senator **Kennedy**. Thank you, Mr. Chairman. Yesterday, Senator Tower, Senator Levin and I talked just briefly about the whole issue of burdensharing.

We are finding now that Western Europe in terms of GNP is equal, or even greater, than the United States. Japan is an economic superpower. At the present time if you look over the various figures, we find that in terms of per capita we spend roughly twice as much as both Western Europe and Japan for defense.

I know there are some mitigating factors, such as the draft and use of training grounds in Western Europe, but by and large the American contribution to defense is over twice as much as our allies.

The realities are that the American people are going to see this at one time or the other, and they are going to demand a reduction of U.S. force abroad or force some other reduction of U.S. security commitments.

The question I have is if we are going to come to that, and I think it is a political reality, does it not make sense to seek those reductions within the conventional arms talks. In this way we can avoid getting into a situation where we are making unilateral reductions responding to our political realities. Given the fact that the reductions are probably inevitable, we should seek to make them bilateral.

And if that is going to be the reality, are we not wise to get moving in terms of conventional arms control in order to ensure that we are going to get something in exchange for our reductions?

Mr. TOWER. Yes, I think that when we are entering the conventional armed forces Europe talks in Vienna in March, that we should not indicate that there is likely to be an early unilateral reduction in the American presence in Western Europe. That would strongly militate against our ability to negotiate a satisfactory conventional arms reduction agreement.

I think in terms of the level of our troop presence, we have to think in military terms of what is required to present a viable military deterrent to the potential of the Soviet attack on Western Europe.

Would we be wise to withdraw a large number of American troops, rendering Western Europe perhaps a more desirable target for invasion? To what extent do we jeopardize the mission, capability, and safety of our troops that remain if we make partial reductions?

There are a lot of questions that have to be asked when we get into that. Remembering again the political importance of that presence in addition to the military importance. I think that we ought to use every means available to us to encourage greater burden-sharing.

I think sometimes that relative per capita spending figures on defense may be a little bit deceptive, because I think in fairness to our continental NATO partners we should note that they contribute a great deal that is not reflected in the military budget in the way of physical property, in the way of inconvenience to the general citizenry, in the way of compensation payments perhaps that the government has to pay citizens for any dislocations that may be caused by the military.

The fact that the population is very dense in that country, and we have got a lot of military movement, tanks running over somebody's cabbage patch, and that sort of thing. So there are a lot of things that we do not calculate into the bargain.

And another thing we do not calculate is the fact that somewhat more of their defense dollar, or defense mark, goes into investment in hardware, a higher percentage than ours, because with conscription their manpower costs are lower than ours. There are a whole lot of factors.

But again, we have to remember that we are dealing with sovereign nations that are democracies. We have to remember that we are not there for any altruistic reasons, but because it is in our national interest.

Senator KENNEDY. I certainly accept those observations, although I think the inevitable reality is that there is going to be some adjustment both in force and strength and that it would behoove us to see similar or asymmetrical reductions from the forces on the other side.

So I would hope that that would result in some willingness to think expansively about what the possibilities in the conventional arms control talks are and do that in terms of the context that you have mentioned, and also within the context of our alliance.

Just a followup question. Given the fact that both the United States and Western Europe rely on a similar intelligence base, why do you think that there is such a disparity between the United States and the Western European countries vis-a-vis the nature of the threat?

Mr. TOWER. Different perceptions, different evaluation of the information, different political considerations.

You have to remember that when Willy Brandt advanced the concept of Ostpolitik, reaching out to the East, he was simply reflecting, of course, the desire of the West German people to someday see a reunification of their country.

I just cite that as a mentality that influences one's assessment of information, influences one's judgment or conclusions that are drawn as a result of having access to that information. It depends on whose are the eyes through which the information is being viewed.

That is perhaps not a very satisfactory answer to your question, but it is about the only one I can give when you ask me a question like, why is it that they come to different conclusions and see it differently? I do not know that I can give you a sophisticated answer.

Senator KENNEDY. Well, I appreciate your responses. My time is up.

Senator LEVIN. Thank you, Senator Kennedy. Senator Warner.

Senator WARNER. Thank you, Mr. Chairman. Senator Tower, the Republican leader, Senator Dole, and Senator Kassebaum, have asked me to read on their behalf a short statement on ensuring that American industry competes for contracts on a level playing field.

Their statement expresses complete confidence that you will stand firmly for fair competition.

We on the Armed Services Committee also believe that the tanker transport training system, known as TTTS, is an important program which should proceed on the basis of fair competition. We look forward to working with you toward that objective.

Now, I will read the specific remarks, by Senators Dole and Kassebaum, dated January 26, 1989 that they wish to have included.

> Competitiveness has been a buzz word in American politics for a couple of years now. But during these past few years, American workers have proven that they are equal to any challenge, given they have a level playing field.
>
> Americans should welcome each and every opportunity to produce a better product at a better price. Unfortunately, sometimes a top-notch American industry, backed with state-of-the-art technology and a vibrant work force, find their better product and price undercut by some decision beyond their control.
>
> This is wrong. And it certainly should never happen with a U.S. Government contract. Of course, all decisions affecting fair trade do not fall under the purview of the Secretary of Defense. We do not mean to suggest they do.
>
> However, as a major purchaser of goods and services, the Department of Defense should assure the American people that American products will always compete for DOD contracts on a level playing field. Nothing more, nothing less.
>
> We believe the upcoming competition for the purchase of tanker transport training aircraft will be a major test of this principle. The requirements and specifications for this aircraft should derive from its mission and should not be changed unless the aircraft's mission or the threat environment which it must meet changes.
>
> The Department of Defense should do the utmost to ensure fair competition with no interference from factors unrelated to the mission of this trainer aircraft. We know we can count on John Tower to stand up for fair play.

So stated by Senators Dole and Kassebaum. I thank you, Senator Tower.

Mr. TOWER. I agree with their conclusion.

Senator WARNER. And Mr. Chairman, with your permission, on behalf of Senators Dole and Kassebaum, I submit their questions for the record.

Chairman NUNN [presiding]. Questions are submitted for the record for Senator Tower.

I want to again instruct staff, we have in the last couple of years tried to cut down the number of questions for the record. So we are going to have staff review all of these and make sure we eliminate duplications.

We are assuming you have things to do other than sit up and read the questions and answer them late at night.

Mr. TOWER. I would appreciate that, Mr. Chairman.

Chairman NUNN. We cannot eliminate all of them.

Mr. TOWER. I understand. In the throes of trying to organize the Department with a lot of new people, any relief I can get I appreciate.

Chairman NUNN. I can only assure you, Mr. Chairman, that we will have no more questions for the record than during your first 2 years as chairman. And hopefully less.

Mr. TOWER. I do not know how to comment on that, because I do not have the data on it.

Chairman NUNN. I would like for all questions for the record to be in by Tuesday morning. Hopefully we can finish up Tuesday afternoon.

Senator WARNER. Mr. Chairman, if I might just add, as I depart here now, we have had 2 days of hearings. And I want to compliment you, Senator, on fair, direct, truthful answers and responses to each of the inquiries that have been forwarded by this committee.

Mr. **Tower**. I appreciate your comment, Senator, and I lament my deficiencies of knowledge in various areas that have precluded me from giving more complete and comprehensive answers to some of the questions.

Now, as I said earlier, this is the last time I am sure you are going to tolerate my inability to answer these questions, and I expect to in the future when I appear before this committee give you full and complete answers.

Senator **Warner**. Well, I only wish this note of humility will carry over into the future. I have my doubts.

Mr. **Tower**. I have always been a humble man.

Chairman **Nunn**. I have a few more questions here myself. I do not know how many more Senator Wilson and Senator Levin may have. But we are going to continue until we complete, hopefully this afternoon.

Secretary Carlucci promised to preserve efficient production rates, and certainly I agree with him on that. And I have heard you make a number of speeches on that subject, going way back.

We all know that if you get the unit production rates down, the unit costs go up. And we all know that we waste an enormous amount of money in that respect.

On the budget submitted for 1990, in spite of Secretary Carlucci's efforts, the services and the final budget advocated a stretch production rate on 75 percent of all the missiles being produced, and 40 percent of the combat aircraft are now being stretched.

And that is at the 2 percent growth rate. If you have to go to zero percent growth rate it could be substantially less than that. Just a few examples without reading all of them, in 1989, we were producing 1,310 standard tube missiles. Next year under the Reagan budget we will go to 590.

Stinger missiles: we were producing in 1989 9,865, the new budget calls for 4,754. MLRS rocket, we were producing 48,000, we are going to 24,000 according to that budget. F-16 aircraft—I know that is in Texas because I have visited that plant and it is one of the more efficient planes we have, and a very efficient plant, I think. We have 180 that were being produced in 1988 and the budget calls for 150. F-15s, going from 42 down to 36. The F-14 is also being reduced.

I could go on and on. Some of this is inevitable. The question is how much. I think one of your early problems in the first 6 months as Secretary of Defense will be to try to cope with the questions that come up about cost overruns.

Because when you start stretching programs like this, you have got the same overall costs but you divide less numbers into the overall costs, and those systems acquisition reports, particularly if inflation perks up a little bit, are inevitably going to start going up and kicking the trigger under the so-called Nunn-McCurdy trigger on systems acquisition reports.

That is the way I see it and the challenge. Do you have any observations about that production rate problem?

Mr. **Tower**. Not except to repeat what I said earlier, Senator, that I think you are kicking the can down the road when you do that.

You are going to have to acquire the systems—if they are indeed part of your requirement you are going to have to buy them sooner or later, and you are going to buy them at a higher per unit cost.

And I would like to avoid stretching out these production runs to the extent possible. I cannot comment on the specific missiles or the MLRS or some of the other things that you have mentioned. I do not know to what extent any of that might be a tapering off of the buy.

But in any case, philosophically I am strongly seized of the conviction that we should keep production at efficient rates, to the extent that we achieve the best economy of scale.

That GD plant in Fort Worth, that is an enormous—that is the biggest aircraft plant under one roof, I think, in the world.

So there is a substantial overhead to that plant. And it is probably the prime example of what happens to you if you stretch these production runs out, because the production, the per unit cost soars I think probably at a greater rate there than almost anywhere.

Chairman NUNN. Well, as taxpayers we already have our money invested in the tooling and the research and development and the equipment and all the assembly lines and so forth.

And when you have all that invested to begin with, geared up for 200 units a year, and you end up producing 150, 120, you really do waste a huge amount of money. In fact, if you look at all the fraud and corruption combined and multiply it by 10, or maybe even more, I do not think it would equal the amount of money we waste by gearing up for a production line at X number of units and ending up producing at 40 percent X or 30 percent——

Mr. TOWER. Absolutely right. That robs us of far more than waste, fraud, and abuse does, in total dollar amounts.

Chairman NUNN. Both are of concern, but in terms of dollars——

Mr. TOWER. That is right.

Chairman NUNN. The big money is on the inefficient production line.

Senator Tower, I want to ask you a couple of questions on the C-FIN. We went over it this morning, but I want to make sure we have that one accurate, because it is something that I know that you are conscious of, and so are we.

In looking at the material you provided the committee this morning on the C-FIN program and your answers this morning, I want to go over hopefully, quickly here, to ensure that we have this issue understood.

First, let me read the written answer on your activities on C-FIN that you provided to our staff in response to the questions. You indicated, quoting from that written answer: "Beginning in the fall of 1987, Tower & Associates' staff began analyzing the C-FIN program. In the late fall Senator Tower contacted Mr. Arnold Punaro of the Senate Armed Services Committee staff and Under Secretary of the Air Force James McGovern to check on the status of the program. His staff also made similar status calls to Mr. Carl Smith of the Senate Armed Services Committee." I believe that is something you added later.

Continuing the quote: "Tower & Associates was registered under the Lobbying Act on February 2, 1988. Staff made telephone calls on behalf of LTV throughout March 1988 to their personal staffs of Senators D'Amato, McCain, and Gramm and to Mr. Carl Smith. Senator Tower also called on Senator Warner during this period on behalf of LTV."

Is that an accurate reflection of your activities and those of your staff, to your best recollection?

Mr. TOWER. To the best of my recollection.

Chairman NUNN. Thank you. You indicated——

Mr. TOWER. There were no written records kept on a lot of this. So I had to rely on memory.

Chairman NUNN. I understand. You indicated this morning that you registered as a lobbyist on the C-FIN program on February 2, 1988. Is that correct?

Mr. TOWER. That is correct.

Chairman NUNN. What company or companies did you register to lobby for?

Mr. TOWER. All of those that I was retained by—every contracting firm by whom I was retained. I listed them all.

Chairman NUNN. You indicated this morning that contacts you made——

Mr. TOWER. I think—let me, if I may add to that, I believe that we later struck Martin Marietta at their request.

Chairman NUNN. You indicated——

Mr. TOWER. I am not positive about that, but I think so.

Chairman NUNN. You indicated this morning that contacts you made after February 2, 1988, relative to C-FIN, you would consider to be in an advocacy role. Is that correct?

Mr. TOWER. Right.

Chairman NUNN. You indicated this morning that the contacts you made prior to February 2, 1988 relative to the C-FIN were of an inquiry nature. Is that correct?

Mr. TOWER. That is correct.

Chairman NUNN. Now, could any of these have been in an advocacy nature, or mode?

Mr. TOWER. I do not know whether they could have been interpreted as that or not, Senator, as I say, there is great difficulty in trying to define just precisely what lobbying is.

Chairman NUNN. Well, it is very tough under the law to define it, very tough.

Mr. TOWER. And I did not consider it as such.

Chairman NUNN. You considered those made prior to then to be inquiries, status reports, that kind of thing.

Mr. TOWER. Yes.

Chairman NUNN. And afterwards, you did believe it was more——

Mr. TOWER. It became positive advocacy.

Chairman NUNN. What was your understanding of the status of the C-FIN program in the fall of 1987 when you were making the inquiries, and then after February 2, 1988 when you were advocating, what was the status during these times?

Mr. TOWER. I believe that it was a reprogramming request. The program had already been authorized, it is my understanding. There was a reprogramming request from the Air Force that was being, at that time, acted on, I believe, by the appropriate committees, which would be HASC, SASC, and HAC, and SAC.

Chairman NUNN. What do you understand the final outcome of the C-FIN program to be?

Mr. TOWER. I think the final outcome was sometime in the late spring—I do not remember the precise date, maybe it was early summer—a contract was let on C-FIN. And LTV was——

Chairman NUNN. The contract did go through.

Mr. TOWER. Yes. And LTV was the successful bidder.

Chairman NUNN. Is it correct that British Aerospace and LTV won together with British Aerospace providing the plane and LTV providing the——

Mr. TOWER. British Aerospace is the subcontractor to LTV, LTV is the prime.

Chairman NUNN. And what does British Aerospace do, and what does LTV do on that——

Mr. TOWER. British Aerospace provides the airframe and LTV provides the electronic avionic system, which is the principal part.

The airframe is somewhat secondary. It is a system that could be fitted in various airframes.

Chairman NUNN. What is the relationship of British Aerospace to British Aerospace Inc., which I understand is the——

Mr. TOWER. British Aerospace is the parent company to British Aerospace Inc.

Chairman NUNN. And I understand that you were a consultant to British Aerospace Inc., is that correct?

Mr. TOWER. That is correct.

Chairman NUNN. You indicated this morning you would provide us with the compensation you were paid by British Aerospace, and I understand you now have those numbers for 1986, 1987, and 1988.

Mr. TOWER. That is right.

Chairman NUNN. Could you give us those?

Mr. TOWER. For 1986, $50,000; 1987, $100,000; 1988, $115,000; for a total of $265,000 for the life of my association with British Aerospace Inc.

Chairman NUNN. Thank you, Senator Tower. I think that will clarify for the record on that subject. One other question, then I will turn to Senator Wilson, I believe would be next, or Senator Levin, I am not sure.

Do you support the recommendations of the Commission on Base Closures and Realignment which Secretary Carlucci forwarded to Congress?

Mr. TOWER. Do I support them?

Chairman NUNN. Have you had a chance to study them and look at them?

Mr. TOWER. Yes. I would support them. I think my support or non-support at this point is not relevant, is it, Senator, because——

Chairman NUNN. Not formally, but it could have a big influence here in the Congress if we have a big debate on it, which we may.

Mr. TOWER. I have not reviewed the work of the commission. In other words, I would not be in any position to make any judgment on the commission's conclusions. Whether they close some useful bases and left some that should be closed untouched, I cannot make a judgment call on that.

Chairman NUNN. I guess the real question is, we are going to have to have continuing appropriations to carry out this, assuming Congress goes along with it. And as Secretary of Defense it is your intention now, based on what you now know, to——

Mr. TOWER. It is my intention now to support the position of the previous Secretary.

Chairman NUNN. And to ask for the sufficient funding to carry that out.

Mr. TOWER. Ask for sufficient funding. And again, we are into budgetary constraints. And I think the committee is probably aware that very often closing a base makes it more costly in the year that it is closed than operating it for a year might make it. But it is a long-term saving.

So it may be that you are paying more out the first year than the operational costs for year. At least that was——

Chairman NUNN. That is right. It was 6 years, they were supposed to get the money back over 6 years in the payoff.

Mr. TOWER. And that pays out over a period of time.

Chairman NUNN. Right. It does save money over time. My own thinking is that we are going to have to find more and more ways to save money over longer periods of time. I think any time we get——

Mr. TOWER. Well, this is my concern, Senator, that in our efforts to find short-term savings, we are not saving smart, and——

Chairman NUNN. Sometimes it can be totally counter-productive.

Mr. TOWER. It can be counter-productive, saving over the long-term, instead of—you know, you could bust your backside trying to reduce the deficit by a significant amount this year, and this next year face up to the fact that you have done things that will simply contribute——

Chairman NUNN. That is what is going to be so——

Mr. TOWER [continuing]. To increasing the deficit the following year.

Chairman NUNN. That is what is going to be so bad for national security and so inefficient in terms of expenditure, if we have a sequester on the Gramm-Rudman.

If we have that sequester we are going to be compelled at the last minute to save in outlays which is going to be first of all difficult and second—very counter-productive.

Mr. TOWER. That is right.

Chairman NUNN. Senator Levin.

Senator LEVIN. Thank you. Senator Tower, there have been some questions asked already about the broad and narrow interpretation of the ABM Treaty, and I just want to ask you a question or two more on that.

I happen to agree with you that it was ill-considered to even raise that issue when it was. I never did understand why the Reagan administration came out with that interpretation and took on the Senate, when it had not even reached the point where——

Mr. TOWER. If I may intervene at that point, Senator, I believe there was disagreement within the administration over it.

Senator LEVIN. Over whether to adopt it or not?

Mr. TOWER. Yes.

Senator Levin. Have you reached a conclusion yourself as to which is the correct interpretation? I know you think we should not reach the issue for a couple years. But have you reached a conclusion——

Mr. Tower. I have not, Senator. I would have to seek the counsel of some pretty good lawyers on that, because that has largely been legalistic exercise. So I cannot say where I would come up on it.

Senator Levin. I was interested in your answer to Senator Nunn's questions relative to production rates.

I happen to agree with his comment and yours that we ought to avoid stretchouts, because it is so inefficient and so wasteful to do so.

He mentioned a number of systems. I would add a few others. The F–18, the Reagan budget proposes to cut that from 84 to 72, the Tomahawk SLCM, from 510 to 400, the Maverick missile it would cut, the HARM missile it would cut, the M–1 tank it would cut, the Hellfire missile it would cut, and on and on. And production rates being cut, stretched out.

At the same time, the Reagan budget includes a 47-percent increase proposed for SDI. And I am wondering whether or not those are your priorities.

Mr. Tower. I happen to believe that SDI is a very high priority item.

I have not had the chance to view that in context with all of the other cuts. That will be a matter which I early on have to review. As I say, that is about the first thing on my agenda, is going through all of this to see where all of these cuts have been made, and where increases have been made. I think that it is important that we not mortgage our future by cutting vital and essential R&D programs.

There might be some instances where, rather than do that, knowing that we have to apply the best technology possible to our weapons systems to counter Soviet numbers, in some instances I might prefer the more inefficient means of saving or the more uneconomical means of short-term saving, stretching out a production line rather than mortgaging our future by cutting research program.

But that is a judgment call, it is one of prioritization.

Senator Levin. You also commented on the pledge of Mr. Gorbachev to make some unilateral reductions in eastern Europe of both troops and tanks and artillery.

In your opinion, do you believe that Gorbachev's promised unilateral reductions are militarily significant?

Mr. Tower. It remains to be seen.

Senator Levin. Assuming he carries out those promises, is that a militarily significant move?

Mr. Tower. It might be, if they are substantial reductions in armor, artillery tubes. And I think we have to look at those numbers and too whether they are modern systems or some of their older ones.

You know, if they are pulling out a bunch of stuff they were going to retire anyway, then it reduces the significance of it. I think you have to look at types of systems that are pulled down in addition to the manpower. Manpower alone is not the measure, because there is such a substantial superiority in manpower anyway.

Senator LEVIN. Let me give you an example. Part of his pledge is to reduce Soviet tank strength in eastern Europe by 5,000 tanks, which is 50 percent of Soviet tanks in eastern Europe. If he did it, would that be a militarily significant move?

Mr. TOWER. I would have to look at the mix of those tanks and see whether the latest anti-tank resistant armor is all still there, or whether they have pulled out their most vulnerable ones.

I think you would have to make something of a qualitative judgment on this as well as quantitative.

Senator LEVIN. Is it fair to say then that in your opinion if he pulled out his lowest quality 50 percent that that then would make it a non-significant pledge in terms of those tanks?

Mr. TOWER. Well, even something that is obsolescent probably has some use in a fight. And the manpower too is another important aspect.

Again, judging the degree of significance, I think, awaits the completion of the act. I do not see how we can evaluate it up front.

Senator LEVIN. My time is up. Thank you.

Chairman NUNN. Thank you, Senator Levin. Senator Tower, we have here the January 17, 1989 doctor's report on you, signed by Dr. Dignan. I assume that——

Mr. TOWER. Would you just place it in the record without reading it, because——

Chairman NUNN. I cannot pronounce all of it, cannot pronounce it. So there is no chance of me reading it.

Do you mind this being public? Or would you prefer it be——

Mr. TOWER. No, I do not mind it being public.

Chairman NUNN. The bottom line, for those interested—and I am sure all of us as your friends are interested, and everyone who is concerned about your health as a friend or as your important position is concerned—as a result of the surgery Senator Tower has almost 100 percent chance of a total cure. So we are all very, very pleased and delighted in that. So this will be part of the record.

[The report referred to follows:]

ALVIN BALDWIN, JR., M.D.,
R.D. DIGNAN, M.D., P.A.,
Dallas, TX, January 17, 1989.

Re John G. Tower

To Whom It May Concern:

On routine office examination Senator John Tower was found to have a 1.5 cm. sessile polyp on the anterior aspect of the lower third of the rectum. He was advised to undergo colonoscopy and transrectal polypectomy, which he did on 12-27-88. Colonoscopy revealed a second sessile polyp, approximately 3 cm. in diameter, in the proximal ascending colon. Preliminary biopsies, at that time, showed the polyp to be "benign villoglandular"; however, the rectal polyp contained a focus of well-differentiated malignant cells but without evidence of vascular or lymphatic invasion.

It was recommended to Senator Tower that he undergo right colectomy, which he did on 1-5-89. Also, at that setting, as a precautionary maneuver, a wider local excision of the previous rectal polypectomy site was performed. On pathological evaluation, the rectal tissue exhibited no evidence of residual tumor cells. The right colon polyp proved to be a benign villoglandular polyp with focal severe dysplasia. The surrounding lymph nodes were benign. Senator Tower had an uneventful post-op course and was discharged on the sixth post-operative day.

All preoperative studies showed Senator Tower to be in excellent general health. As a result of surgery, he has almost a 100% chance of a total cure . . . As I have stated, I think it would be the remotest possibility any additional difficulties related to the original diagnosis would occur. Senator Tower will, however, have to undergo routine colon and rectal surveillance approximately twice a year.

Sincerely,

R.D. DIGNAN, M.D.

Chairman NUNN. Senator DeConcini, a member of the Defense Appropriations Subcommittee, and one who has played a leading role in the battle against illegal drugs, has asked me to pose a series of questions in this area on your behalf, and I will ask you to answer those for the record, if you would, relating to the drug matter.

Mr. TOWER. Yes.

Chairman NUNN. I have one of my own on that that will require a very short answer, yes or no.

Mr. TOWER. I am sorry, Senator. I was diverted here on a matter——

Chairman NUNN. Just some questions for the record on the drug question.

Mr. TOWER. Yes.

Chairman NUNN. Military involvement, military participation.

Mr. TOWER. All right.

Chairman NUNN. Thank you. Senator Wilson. I suggest this be our last questions for the afternoon, unless Senator Levin has others. Do you have——

Mr. TOWER. Senator Nunn, may I clarify something for the record?

When I noted that BAE was a subcontractor to LTV on the C-FIN, that was BAE-PLC and not BAE Inc. Just wanted to make that clear.

Chairman NUNN. Thank you. Senator Wilson.

Senator WILSON. Thank you, Mr. Chairman. Incidentally, I think perhaps we ought to make some of these questions for the record answerable by yes, no, true or false, or check the appropriate box. I would like to make it a little bit easier.

Senator Tower, during the campaign, President Bush talked at some length about competing strategies as a means of doing more with less in our national security responsibility. And as I understand what is meant by that phrase, it is a strategy that seeks to exploit our comparative advantages and our opponent's—potential opponent's comparative weaknesses.

It would seem that two areas that would fit well into the category of advantages to be exploited by us would be the strategic defense initiative and cruise missile technology, given the improvement in accuracy that we have experienced.

I am curious to know your views on how we should treat the cruise missile in the START context. As you are well aware, many of us in the Senate were dissatisfied with how it was treated in the context of the INF Treaty, and sufficiently so that we were concerned that the treaty itself, or that the treatment of cruise missiles in the INF Treaty not become a precedent for the START negotiations.

Mr. TOWER. Senator, I do not believe they are a precedent. I do not believe they are so regarded by this administration. I do not believe they were so regarded by the previous administration.

SLCMs are not on the table at all. ALCMs are subject to a counting rule. But one of the areas in which there seems to be not too much convergence of view by the Soviets and the United States is on the ALCM counting rule.

And in that this administration is taking a cautious attitude toward the START negotiations, I think that is one course we are obviously going to have a look at, and the appropriate inter-agency group involved with the START negotiations, formed under this administration, will be scrubbing that and all other aspects that are on the table right now in Geneva.

Senator WILSON. Well, it is—you are quite correct. It is not a legal precedent, and I am pleased to hear your response, because I think that it is——

Mr. TOWER. No, it is definitely not precedential. Well——

Senator WILSON. Go ahead.

Mr. TOWER. Go ahead.

Senator WILSON. Let me shift subjects. I suspect that Senator DeConcini's questions probably include the one that I am going to ask, and it may very well be that you have not had time, sufficient time to really focus on this question.

But as you are aware, in the annual report made by Secretary Carlucci to Congress for fiscal year 1990, the Department of Defense is committed to an aggressive implementation of the new laws expanding the military's role in drug interdiction operations.

I should also by way of disclosure reveal to you that it is a subject in which both the chairman and I have great interest as the sponsors of the Wilson-Nunn amendment that expanded those responsibilities as part of this past year's DOD bill.

The net of it is that the Department's budget request for the next fiscal year includes no new money for this activity, and that the report required to address how the administration will discharge its increased responsibilities of supplementing civilian law enforcement in the interdiction area is now 2 months overdue.

I am going to be writing you a letter about that tomorrow, but I will take the opportunity right now just to ask whether you have yet had an opportunity to focus on those responsibilities, and if so if you would care to address them here.

Mr. TOWER. I have responded to questions earlier on that during the course of the hearing——

Senator WILSON. Have you?

Mr. TOWER. And I would be glad to try to respond again. I am very interested in this, and in the Defense Department performing that responsibility in the most efficient and effective way possible, to make sure that we are getting maximum utilization out of those assets that we are dedicating to that purpose.

I think we need some experience with it to see if whether what we are doing is really working. I think that will be the ultimate measure.

Senator WILSON. I will say by way of editorial comment, I think that the final product was pretty carefully drawn, and it was, I do not think an overly-ambitious undertaking.

Bearing in mind that there are clearly other missions for the military, but this is, if a new one, one of some critical importance.

Mr. Chairman, mindful of your admonition, I will cease here. It is, I must say, difficult to do so because with the witness that we have before us there is a great temptation, particularly when there are only a few of us and we can bat it back and forth, to take advantage of this rare moment.

We have someone who is knowledgeable and articulate, so the temptation is great. But just in terms of the policy aspects of this confirmation hearing alone, those questions are a bottomless pit.

So I will exercise some restraint and simply state for the record that I have enjoyed this, perhaps more than the nominee, but I think he has, as usual, educated us and I think it is going to be a very interesting experience, perhaps even an entertaining one to have him across the river there at the Pentagon.

Chairman NUNN. I agree with you, Senator Wilson, in spite of the fact that he is probably more receptive to our questions at this point in history than he ever will be again. I appreciate your restraint. We will exercise similar restraint. Senator Levin.

Senator LEVIN. Thank you, Mr. Chairman. Just a few more questions for the afternoon.

Senator Tower, you chaired the 1980 Republican platform committee. In the platform the Republican Party pledged to achieve a position of military, or seek a position of military superiority over the Soviets. Is that your position today?

Mr. TOWER. Let me say that that question came up in the platform committee in New Orleans in 1988, and the members of the committee elected not to include that provision in the platform.

Senator LEVIN. I was wondering, in your position——

Mr. TOWER. I had some influence over that decision.

Senator LEVIN. Does that mean it is not——

Mr. TOWER. Well, how do you measure superiority? We are superior in terms of capital ships. We are superior in terms of technology in certain areas. They are superior in technology in certain areas. They are clearly superior in numbers of ground troops and ground and field systems.

How do you measure superiority? If you do it purely in numbers——

Senator LEVIN. Is it because it is difficult to measure that we should not——

Mr. TOWER. I do not think you can measure it. I think that the important thing is that we have what is adequate to meet the threat.

In 1980, of course, you have to understand that the climate of 1980, there was a feeling that we had neglected our military capability during the decade of the 1970s and there was strong popular support at that time for increasing our military strength.

Incidentally, polls showed at that time that a majority of people favored at least military equality if not superiority to the Soviet Union.

Senator LEVIN. Relative to the balance today, do you believe there is a marked superiority of the Soviet conventional forces in Europe?

Mr. TOWER. It depends on what you call superiority. I think they are superior in some areas. I think that that——

Senator LEVIN. Overall.

Mr. TOWER. Well, there is superiority in sheer numbers. And if you know military history you know that sometimes superior fighters can be overwhelmed by sheer numbers, vis-a-vis U.S. Grant versus Robert E. Lee.

There is no question about the superior generalship of the southern generals during that unhappy conflict. But they were overpowered by numbers. I am not prejudiced by the fact that my great-granddaddies happened to be in gray uniforms.

But I think you have to look at those numbers and take them very seriously. We remember what numbers did to us when the Chinese came across the Yalu in Korea, whole platoons with maybe two weapons in a platoon.

And when the man who was carrying the weapon was shot, someone who was not carrying one picked it up and we were overrun by sheer numbers. And you have to take that seriously.

Senator LEVIN. Taking into account whatever quantitative and qualitative factors that you want, in your opinion do the Soviets today have a marked superiority in conventional forces in Europe over us?

Mr. TOWER. I think as of this moment they have the capability to prevail in an invasion of western Europe. If that is the measure, I guess you call it superiority.

Again, we are looking at ways to enhance our conventional capability, and we have already mentioned competitive strategies as a concept that may enable us to in fact exploit Soviet weaknesses with our strengths. Namely, our technological superiority, and utilizing geography.

Senator LEVIN. Just two additional questions. The chairman asked you about that C-FIN contract again and I was just curious about one thing as he asked you those questions.

Apparently prior to February 1988 you were not a registered lobbyist. Your recollection is that you did not advocate during the conversations you have described, the position of your client.

Mr. TOWER. That is right.

Senator LEVIN. Were you consciously avoiding advocacy prior to February 1988? Was that something you were aware of?

Mr. TOWER. Not necessarily, but I felt less inhibited about it after I registered. And let me explain the context in which I registered.

I had been called on by the administration, they had indicated to me as early as December that they would like me to help on the INF ratification. And at that time I thought that perhaps if I were going to make trips down to the Hill perhaps I should register, since I represented a number of contractors.

Following the President having invited me to the White House in late January of 1988, to ask me to take on an active role—I even did a press conference at the stakeout outside afterward, and there was quite a bit of publicity on it at the time—I took that and I determined then that since I would be making frequent appearances to the Hill the prudent thing for me to do would be to register, for appearance's sake if nothing else.

But I should say that after I did register I felt less inhibited about what I did and what I said.

Senator LEVIN. My time is up. Thank you.

Chairman NUNN. Thank you very much, Senator Levin. Senator Tower, I hope you have a good trip to Wehrkunde this weekend.

Mr. TOWER. Thank you.

Chairman NUNN. Express my greetings to many of our mutual friends. I know it will be a meaningful conference, because it is time when an awful lot of things are happening and a lot of——

Mr. TOWER. It should be very interesting.

Chairman NUNN. Public opinion that is shifting, so have a good weekend, and we will be back on Tuesday with outside witnesses.

At that time we will hear from Mr. Paul Weyrich, National Chairman, Coalitions for America, and Mr. William G. Phillips, President, National Council for Industrial Defense.

And we will certainly, if others request testimony, we will take that into consideration. But I would hope that we could have not too long a session on Tuesday morning, and either Tuesday morning or shortly after lunch Tuesday get to an executive session to take up matters within the rules of the committee.

And so we would need you back sometime late Tuesday morning or early Tuesday afternoon. Would you be available then?

Mr. TOWER. I——

Chairman NUNN. Would you be back, is what I mean?

Mr. TOWER. Mr. Chairman, I will be here. I have no other higher priority at this moment than serving the confirmation proceedings.

Chairman NUNN. But I guess really want I am asking is, is that—you will, you do plan to get back from——

Mr. TOWER. I will be back here Sunday night.

Chairman NUNN. All right, good. We will be in this room at 9:30 on Tuesday morning. The committee is adjourned.

[Questions for the record with answers supplied follow:]

QUESTIONS SUBMITTED BY SENATOR SAM NUNN

Senator NUNN. Yesterday [January 26, 1989], Senators Gorton and Kennedy both noted the issue of the military's role in drug interdiction. Last year, after an extensive debate, the Congress significantly expanded the role of the Department of Defense in the drug interdiction effort by providing the Secretary of Defense with substantial discretion to structure activities such as air and sea surveillance, establishment of a command, control, and communications network, and provision of intelligence to law enforcement agencies. At the same time, after receiving extensive testimony from Secretary Carlucci, General Herres, and other experts on the scope of the military role, Congress reaffirmed the historic prohibition against direct military participation in arrests, searches, and seizures.

Would it be your intent to develop the military role in drug interdiction within the framework established by Congress last year?

Mr. TOWER. As the President emphasized in his Inaugural Address and in his February 9 address to a Joint Session of Congress, the administration is fully committed to the fight against the scourge of illegal drugs on all fronts.

The Department of Defense will fully and faithfully implement the laws applicable to its activities, including two major laws enacted last year that affect the counternarcotics support activities of the Department of Defense:

Title XI of the National Defense Authorization Act for Fiscal Year 1989 (P.L. 100-456); and

The Anti-Drug Abuse Act of 1988 (P.L. 100-690).

The Department of Defense will fully support the national effort to fight drugs, consistent with applicable law.

Senator NUNN. For several years, the [Senate] Armed Services Committee has been concerned about deficiencies in U.S. capabilities to engage effectively in low intensity conflict. Our planning and preparations for this threat have suffered from insufficient attention and resources even though low intensity conflict is the most likely challenge to our security interests. In fact, former Secretary of State Shultz stated "Low intensity conflict is the prime challenge we will face, at least through the remainder of the century. The future of peace and freedom may well depend on how effectively we meet it."

Do you agree with Secretary Shultz' assessment?

What is the role of the Department of Defense in the United States response to low intensity conflict?

How should the Defense Department be organized to contribute most effectively to the U.S. response to this threat?

Mr. TOWER. The United States must maintain the military capabilities necessary to carry out the national commitment to safeguard and support freedom and democracy. Those capabilities must be tailored to meet a wide variety of threats to U.S. interests, including the threats posed by low intensity conflict. As former Secretary Shultz's comments reflect, low intensity conflict represents a major, and increasing, challenge to U.S. security interests.

The Department of Defense maintains a low intensity conflict capability which, along with U.S. diplomatic, economic, and communications capabilities, can be deployed to meet low intensity conflict threats.

Much of the organization of the Department of Defense to meet low intensity conflict and conduct special operations is established by law. The Department will fully and faithfully implement that law.

Senator NUNN. The Department of Defense has recently expressed concern about the competitiveness of U.S. high-technology industries, such as semiconductors and high definition television, that produce strategically important products. At the same time, the Defense Department has often taken a highly restrictive view of the export of high-technology products, even though the profits generated by such exports are an integral part of the research and development funding needed to sustain technological innovation and excellence.

How do you propose to reconcile these seemingly contradictory approaches to the issue of technology transfer?

Mr. TOWER. Achieving the twin objectives of (1) increased U.S. economic competitiveness and (2) reduced transfer to inappropriate recipients of sensitive technologies, is a national concern of the highest order. The Department of Defense will participate and cooperate fully in executive branch decisionmaking processes to advance these goals, and in the event they conflict, to reconcile them on a case-by-case basis.

U.S. industries must have maximum access to foreign markets, within the minimum restraints necessary consistent with national security—among other reasons to generate the revenues essential to new research, development and investment in the defense industrial base.

Senator NUNN. In recent years, the role of the Defense Department in export control matters has been criticized by the National Academy of Sciences, the General Accounting Office, and U.S. businesses. In some cases, the Defense Department is charged with performing functions that are duplicative of those being done effectively by other agencies. It is further alleged that inconsistent, arbitrary and time-consuming actions by the Defense Department have impeded legitimate exports.

What steps do you intend to take to ensure that the Defense Department performs its export control functions in a consistent, impartial and expeditious manner?

What steps do you think should be taken to make the inter-agency dispute resolution process more efficient and effective?

Mr. TOWER. The Defense Department will continue to fulfill its export control-related responsibilities in accordance with applicable law. The Department continues to provide its advice on the national security implications of specific proposed exports to the Departments of State and Commerce.

The Department of Defense reviews only a fraction of all exports licensed by the Department of Commerce. Most of those reviewed by the Department of Defense involve proposed exports of militarily critical items intended for the Soviet Union, Eastern Europe, or the People's Republic of China.

Of the approximately 6,000 cases reviewed by the Defense Department in a year, less than 50 require resolution through the interagency dispute resolution process chaired by the Department of Commerce.

Specific changes to existing interagency export control review processes are matters for the President and the National Security Council to address.

QUESTIONS SUBMITTED BY SENATOR EDWARD KENNEDY

Senator KENNEDY. Hundreds of incidents have taken place over the last year of harassment, physical and psychological abuse of U.S. troops and their families by members of the Panamanian Defense Forces. Regrettably, the United States has failed to react appropriately to these incidents. We have either said nothing or protested the harassment long after the event occurred.

What additional steps would you take to protect our troops in Panama?

Would you protest any such incident swiftly and publicly?

Mr. TOWER. The U.S. Armed Forces in the region will defend themselves and other American citizens whenever their safety is at risk. The United States has taken in the past, and will continue to take, strong measures to ensure the safety of Americans in the area. The United States will continue to object strongly to incidents of abuse of Americans and will take appropriate action to prevent or redress such incidents.

Senator KENNEDY. There is some concern in Congress over the high level of sophisticated weapons sold in recent years to Arab nations who continue to refuse to make peace with Israel.

For instance, since 1981, we have sold Saudi Arabia $5.8 billion in AWACS, $350 million in Sidewinder, Harpoon, and Stinger missiles, and $502 million in F-15s. These sales are in addition to British Tornados and Chinese CSS-2 intermediate-range missiles.

Now I understand another U.S. sale to Saudi Arabia of F/A-18s may be under consideration.

How do you view these arms sales to the Arab world in relation to Israel's security and the peace process?

What is their impact on Israel's military qualitative edge over any combination of Arab attacks?

If you decide to move forward with the sale of advanced aircraft to Saudi Arabia, what commitments will you seek from the Saudis on support for the peace process in the Middle East? When would formal notification of such a sale be made?

Mr. TOWER. The Saudi Arabian Government has indicated that it intends to replace a number of F-5 fighter aircraft provided by the United States in the early 1970s. That Government has indicated that it would prefer to buy an American fighter, but does not rule out the possibility of a European purchase instead. The Saudi Arabian Government has not yet asked to purchase the F-18 or any other American aircraft, and the U.S. expects that it will be some time before that Government makes an aircraft selection decision. The Department of Defense does not now anticipate that notification to Congress under the Arms Export Control Act of such an aircraft arms sale to Saudi Arabia will occur during 1989.

QUESTIONS SUBMITTED BY SENATOR DENNIS DECONCINI

Senator DECONCINI. Do you plan to establish a dedicated anti-drug staff with appropriate law enforcement membership at the Department of Defense? If you do, what will be the function of this staff? Where will it be located? Do you envision law enforcement personnel having an active role on this staff?

Mr. TOWER. The Department of Defense coordinates its operational planning efforts closely with Federal law enforcement agencies that have drug enforcement responsibilities to ensure that DOD support for such agencies is effective. The Department's action is designed to fulfill the statutory mandate that "the needs of civilian law enforcement officials for information shall, to the maximum extent practicable, be taken into account in the planning and execution of military training or operations." (10 U.S.C. 371(b))

Currently, the Office of the Assistant Secretary for Force Management and personnel is the focal point for Department of Defense counternarcotics programs. The staff of that Office includes representatives from the U.S. Customs Service, the U.S. Coast Guard, and the Armed Forces.

Specific decisions on how to organize the Department of Defense's counternarcotics support effort in the future must await a thorough review of the organization and management of the Department. Also, the views of the Director of the Office of National Drug Control Policy established by the Anti-Drug Abuse Act of 1988 must be considered.

Senator DECONCINI. In view of the fact that the military involvement in the narcotics program has just been expanded to one of being the lead agency for detection and monitoring, would it not be more cost effective to utilize DOD funds to support and enhance the existing joint U.S. Customs/U.S. Coast Guard C3Is as the focal point of the system?

Mr. TOWER. Section 1102 of the National Defense Authorization Act for Fiscal Year 1989 (P.L. 100–456) provides that "the Department of Defense shall as the single lead agency of the Federal Government for the detection and monitoring of aerial and maritime transit of illegal drugs into the United States." The Department of Defense will faithfully implement this statutory mandate and the Anti-Drug Abuse Act of 1988.

The Department will use the intelligence available to it from all sources to assist in the law enforcement counternarcotics efforts, including air and maritime interdiction, as contemplated by law. The current judgment of the Department is that correlating the vast volume of intelligence data generated by DOD sensor arrays to support counternarcotics activities can be accomplished with greater efficiency and cost effectiveness at DOD facilities, rather than at Customs/Coast Guard command, control, communications, and intelligence facilities.

The various aspects of DOD support to counternarcotics activities will undergo review in cooperation with the Director of National Drug Control Policy, in accordance with the Anti-Drug Abuse Act of 1988 (P.L. 100–690).

Senator DECONCINI. The joint Customs/Coast Guard C3I is scheduled to reach initial operational capability by the end of May this year. In reading your [sic] January 1 report to Congress, one could conclude that DOD plans to duplicate this Congressionally directed system with another C31 system and relegate the 3-year development of a drug interdiction C31 program to a lesser role. Would you explain the operational wisdom and cost effectiveness of such an approach? My concern is that your approach appears to be supporting a DOD unfunded maritime defense zone objective with drug interdiction appropriated funds, in spite of a possible duplication.

Mr. TOWER. The Department's current judgment is that it can best provide support to the Federal law enforcement agencies, command and control activities through all-source intelligence and active management of sensor collection in existing DOD facilities.

As previously stated, the various aspects of DOD support to counternarcotics activities will undergo review in cooperation with the Director of National Drug Control Policy, in accordance with the Anti-Drug Abuse Act of 1988 (P.L. 100–690).

Senator DECONCINI. Do you intend for the law enforcement community to participate in the planning and scheduling process for DOD resources which could be utilized in drug law enforcement?

I would emphasize the importance of local and state law enforcement being included in any type of anti-drug programs that DOD undertakes because of their critical role in the war on drugs.

Mr. TOWER. Sections 371 through 380 of Title 10 of the U.S. Code authorize the Department to cooperate with State and local law enforcements agencies on counternarcotics efforts, as well as Federal agencies.

The Department's current judgment is that, as a general matter, the counternarcotics interests of State and local governments can best be represented in the DOD planning process by the representatives of Federal law enforcement agencies. Currently, the Office of the Assistant Secretary for Force Management and Personnel is the focal point for Department of Defense counternarcotics programs. The staff of that office includes representatives from the U.S. Customs Service, the U.S. Coast Guard, and the Armed Forces.

Senator DECONCINI. Legislation enacted in the 100th Congress that appointed the DOD the lead agency for drug interdiction surveillance also appropriated $300M for this purpose. Conference report 100–1002 strongly recommends the use of aerostats in the Gulf of Mexico to close the only remaining surveillance gap, since downlook aerostat radars already have been deployed or are being deployed from California to Texas and from Florida to Puerto Rico.

It appears that there are two methods to close the remaining surveillance gap. One is to place four or five land-based aerostats along the shores of the gulf at a total cost of approximately $200M with an annual operating cost of $25M. The solution may be fraught with some technical difficulties, i.e., aviation safety, sorting legitimate from illegitimate traffic, and response warning time. Another solution could be to place aerostats on modified mobile oil drilling rigs in the middle of the gulf, with anciliary law enforcement and military applications. This solution may cost substantially less and be implemented quicker. (NOTE: $50M for two existing platforms with aerostats included in the price has been formally proposed to DOD by Westinghouse.) Is the DOD aware of this possibility and, if so, is consideration being given to it?

Mr. **Tower**. The review with the Office of National Drug Control Policy of the various aspects of national drug control policy, including the mix of sensors used to detect air and maritime drug traffic, will include consideration of semi-submersible platforms and other sea-based aerostats.

Senator **DeConcini**. Given the new role of the DOD as lead agency for detection and monitoring, will you encourage the expenditure of some of the $300M in the DOD authorization to purchase additional aerostats to complete the radar detection net along the southern border and the prime transit routes?

Specifically: $23M for Great Inagua; $3M for marine enhancements to Cariball I and II; $20M for relocation of the aerostat at Cape Canaveral to the west coast of Florida; $52M for aerostats on the gulf.

Mr. **Tower**. As the mix of sensors for detection and monitoring is reviewed, full consideration will be given to fixed land-based aerostats within the context of an overall array of sensors.

Senator **DeConcini**. Last year Secretary Carlucci and General Herres testified in joint hearings before this committee and the House Armed Services Committee that if the Customs Service P-3 AEW proved successful, consideration should be given to augmenting that fleet for drug surveillance purposes. Given that a recent GAO study has concluded that the programs is, in fact, very successful, what is your position on providing Customs resource support to increase the P-3 AEW fleet?

Mr. **Tower**. Purchase of aircraft for the U.S. Customs Service is most appropriately accomplished and controlled by use of appropriations for the Customs Service. Requests to Congress for appropriations for aircraft for the Customs Service is a matter on which the Department of Defense defers to the Secretary of the Treasury and the Director of the Office of Management and Budget.

The Department of Defense has recently offered to Federal law enforcement agencies 15 P-3A aircraft that are excess to the needs of the Defense Department.

Senator **DeConcini**. Do you intend to spend some of the $300M contained in the DOD authorization to increase AWACS and E-2C support to law enforcement? Can you tell us how much additional support can be expected? Will this additional support be coordinated with the law enforcement agencies so that maximum effective utilization can be realized at the times and locations of highest threat as identified by the law enforcement agencies?

Mr. **Tower**. As previously stated, the various aspects of DOD support to counternarcotics activities will undergo review in cooperation with the Director of National Drug Control Policy, in accordance with the Anti-Drug Abuse Act of 1988 (P.L. 100-690).

Such a review would include decisions concerning the expenditure of available appropriations to improve air and maritime surveillance capabilities. Whatever the specific results of such a review may be, counternarcotics support will be coordinated carefully with law enforcement agencies to ensure maximum effective utilization of DOD assets.

Senator **DeConcini**. Last year's legislation also included a provision that allows the National Guard to strengthen its role in drug interdiction and enforcement and provides $40M to carry out those efforts. The National Guard already has participated in several successful joint drug enforcement programs around the country and views fighting drugs as an added mission. The Guard may just be the best buy the Department of Defense has going when it comes to fighting illegal drugs. What role do you plan for the Guard in your overall drug strategy? The $40M will go along way towards developing joint Guard/law enforcement programs in over 40 States yet no request for additional funding was made in the recently submitted fiscal year 1990 budget. Do you plan to provide funding for National Guard anti-drug programs and specifically how much?

Mr. **Tower**. As previously stated, the various aspects of DOD support to counternarcotics activities will undergo review in cooperation with the Director of National Drug Control Policy, in accordance with the Anti-Drug Abuse Act of 1988 (P.L. 100-690). Moreover, a review of Department of Defense management and dedication of resources to roles and missions currently is underway within the administration. Final, specific funding and program decisions have not been made.

As the President's Inaugural Address indicated, the administration is fully committed to the fight against the scourage of illegal drugs. The Department of Defense, like other departments with appropriate capabilities, will be committed to that fight.

QUESTIONS SUBMITTED BY SENATORS ROBERT DOLE AND NANCY KASSEBAUM

Senators DOLE and KASSEBAUM. Will you oppose any effort to establish RFP requirements or specifications not required for the product sought?

Mr. TOWER. The Department of Defense should not impose requirements or specifications that are not necessary. Unless a requirement or specification adds value in some appropriate sense to the acquisition, it should not be imposed.

Senators DOLE and KASSEBAUM. Will you oppose any effort to change established RFP requirements or specifications for reasons other than a changed military mission of the product sought or a change in the threat environment in which that product must operate?

Mr. TOWER. The Department of Defense may change established RFP requirements or specifications when the military mission of a product changes, or when the threat environment in which that product must operate changes. These are not, however, the only reasonable bases for changing established RFP requirements.

Change to established RFP requirements may also be necessary to respond to changes in legal or economic circumstances, such as the need to:

—Respond to enactment of new laws or issuance of new regulations, such as those imposing new occupational safety or environmental standards;

—Clarify a misinterpretation of RFP requirements or specifications;

—Encourage improved competition; or

—Encourage greater efficiences, such as through the use of non-developmental, commercial off-the-shelf items.

Senators DOLE and KASSEBAUM. To be specific, this year the Air Force will compete candidates for procurement of 211 jet aircraft for the Tanker-Transport Training System or TTTS. At least three U.S. airframe manufacturers plan to compete their aircraft. In addition, an Israeli and a British company have each teamed with an American company to compete for the TTTS contract. Within the powers of your office, can you assure the American people that such foreign companies, directly or teamed with American companies, will enjoy no advantage arising from a commitment unrelated to mission or threat made by the United States Government to a foreign government?

Mr. TOWER. The Department of Defense, within its powers, will seek to obtain the quality of goods and services the Department needs at the best prices. Generally, foreign companies should not be given an advantage over U.S. companies, and full and fair economic competition should decide who receives a contract.

[Whereupon, at 5:05 p.m., the hearing was adjourned.]

NOMINATION OF JOHN TOWER TO BE SECRETARY OF DEFENSE

TUESDAY, JANUARY 31, 1989

U.S. Senate,
Committee on Armed Services,
Washington, DC.

The committee met, pursuant to notice, at 9:35 a.m., Senator Sam Nunn (chairman) presiding.

Committee members present: Senators Nunn, Exon, Gore, Wirth, Warner, Thurmond, Cohen, Wilson, Wallop, Gorton, Lott, and Coats.

Other Senators present: Senator Ted Stevens.

Committee staff members present: Arnold L. Punaro, staff director; Andrew S. Effron, general counsel.

Professional staff members present: Robert G. Bell, Richard D. Finn, Jr., James R. Locher III, and David S. Lyles.

Minority staff members present: Patrick A. Tucker, minority staff director and counsel; Romie L. Brownlee, deputy staff director for the minority; Inga B. Schoonover, special assistant; Jonathan L. Etherton, George K. Johnson, Jr., and Ronald P. Kelly, professional staff members.

Staff assistants present: Barbara Gallo, Lori M. Jackson, Cindy Pearson, Kelli Pronovost, Debra A. Rice, and Mickie Jan Wise.

Committee members' assistants present: Jeffrey B. Subko, assistant to Senator Exon; Gregory J. Weaver, assistant to Senator Levin; William J. Lynn, assistant to Senator Kennedy; Charles C. Smith, assistant to Senator Dixon; Milton D. Beach, assistant to Senator Glenn; Jefferson B. Seabright, assistant to Senator Wirth; Terrence M. Lynch, assistant to Senator Shelby; Dale F. Gerry, assistant to Senator Cohen; Mark J. Albrecht, assistant to Senator Wilson; Jack D. Crouch II, assistant to Senator Wallop; Christine Dawson, assistant to Senator Gorton; and Anthony H. Cordesman, assistant to Senator McCain.

OPENING STATEMENT OF SENATOR SAM NUNN, CHAIRMAN

Chairman Nunn. The committee will come to order.

The committee meets this morning to continue its hearing on the nomination of Senator John G. Tower to be Secretary of Defense. This morning we will receive testimony from a panel of three citizens who had requested to testify in opposition to the nomination.

Our witnesses will be, in alphabetical order: Mr. William E. Jackson, Jr., a Senior Fellow and Associate Professor at the Fulbright Institute of International Relations, University of Arkansas. Mr. Jackson is appearing on his own behalf.

Mr. William G. Phillips, President of the National Council for Industrial Defense; and Mr. Paul M. Weyrich, National Chairman, Coalitions for America.

I suggest that we proceed in alphabetical order. I would further suggest that we withhold questioning until after all three witnesses have had a chance to make their opening statements, so we do not deprive the final witness of his ability to have enough time.

The full text of the prepared statements will be printed in the record of the hearing, and to the extent the witnesses would like to summarize we'd be delighted to have their summary, although we're not going to restrict you to time this morning.

Upon completion of this hearing, the committee will adjourn until 2 o'clock this afternoon. At that time we will be going into executive session to consider certain confidential matters under the committee rules regarding the committee's review of the nomination. If there is a request for an open hearing at that time, we will announce it. But at this point in time, I do not envision that.

Senator WARNER. Thank you, Mr. Chairman. We should also add that this committee has made available to all the opportunity to come forward and testify and, except in one instance where we felt that the witnesses would not add any credible contribution, we have accepted each invitation or each request to speak.

Chairman NUNN. I believe we will start with the first witness, then have each member come up as they are called on, and end up with all three as a panel for questions.

Mr. Jackson, would you come forward. We will be glad to have your testimony.

STATEMENT OF WILLIAM E. JACKSON, JR., SENIOR FELLOW, FULBRIGHT INSTITUTE OF INTERNATIONAL RELATIONS

Mr. JACKSON. Thank you, Mr. Chairman.

ADVICE AND CONSENT

Mr. Chairman and Senator Warner and other Senators on the committee: I appreciate the opportunity to appear before this very distinguished committee as you pursue your duties under the advice and consent clause of the Constitution. Let me say parenthetically, Mr. Chairman, that I sent a final draft to the committee by FAX yesterday, but I will make a few grammatical changes and add a few substantive remarks along the way.

I have read on the way up on the plane a full transcript of the committee's hearings to date.

As you said, Mr. Chairman, I do not represent any organization and I would stress that I am here at my own expense.

I might also say, Mr. Chairman, that I would much prefer to be here discussing those fundamental challenges and opportunities in the national security field that you raised on the first day of the Tower hearing, as we go into the 1990s.

But it is hard to improve upon what has already been said. I know you have read the America Agenda Report under the leadership of Presidents Ford and Carter, particularly the part by Brent

Scowcroft and Jim Woolsey on arms control and defense policy. They addressed the issues that you did on the first day.

Mr. Chairman and members of the committee, I am and always will be a Senate man, to use a phrase. As some of you know, I am familiar with the history of the work of this committee and have great respect for its place in the scheme of things.

Indeed, this is one reason that it was not an easy decision for me to decide to testify against the former chairman and Senator on this committee. I care most of all, however, about preserving the integrity of this institution.

I am reminded, as I sit here before you, of a number of talented and fine people, former aides to Senator Tower on this committee, who have gone on to serve with distinction in various national security positions in the executive branch. I would be remiss if I did not mention that he recruited an awful lot of good talent that has gone on to other positions in the Government.

Just as there must be no "sacred cows" in the defense budget, there must be no golden passports or "sacred nominees" to the highest appointive offices in the land. It is imperative that this hearing not be or be perceived to be—and "perception" is a term that has been used, almost overused in this hearing—it is imperative that this hearing not be perceived to be an "old boy" rite of passage. Indeed, the chairman said as much some weeks ago.

AMERICAN PRINCIPLES

The American system is not and never will be a parliamentary system, as much as some anglophiles and lawyers, like Lloyd Cutler, and political scientists would like it to be. So it is wise, I think, as Senator Byrd did the other day, for Senators to view with suspicion colleagues who sit in this body and champion executive supremacy, not partnership, in matters of war and peace, defense and diplomacy. It is proper to ask if they are sufficiently grounded in the native American system based on Madisonian principles.

Of course, in this committee there is a deep appreciation for the Constitution, as written. There can be no better proof of this than the successful struggle waged by Senators Nunn and Levin to preserve the traditional interpretation of the ABM Treaty of 1972 and to re-establish in everyone's minds the constitutional role of the Senate in the treaty process.

Some philosophers have asserted that democracy presupposes the perfectibility of man. But the Founding Fathers had a different view. To quote the 50th Federalist, "If men were angels, no government would be necessary." One might amend that to read, if men were angels there would be no need for a Senate check on the nominees of Presidents.

As Gouverneur Morris, one of the architects of the advice and consent clause, put it in 1787: "As the President was to nominate, there would be responsibility, and as the Senate was to concur, there would be security."

Belief in human perfectibility, indeed belief in appointees' "conversion" on the confirmation road to Damascus, by sometimes exaggerating human possibilities and minimizing the corruptions of power, can lead as logically to absolutism as to democracy. But, yes, the exercise of dissent and questioning and opposition can temper the delusions of power.

THE CONSTITUTION BETWEEN FRIENDS

There is a great temptation, however, to ask in a honeymoon period with a new President—and I too am heartened, greatly heartened, by the sounds of bipartisan cooperation in national security policy. There is this temptation nevertheless to ask, "What is the Constitution between friends?"

This question from an anecdote about President Grover Cleveland, who refused to endorse legislation sponsored by a Tammany Hall politician because he thought it was unconstitutional, this anecdote provides in capsule form the recurring conflict between constitutional principles and responsibilities, such as approving and disapproving Presidential nominees, and short-run political objectives, such as rushing to help a new President get his team aboard.

And of course, this anecdote illustrates the struggle between executive and legislative branches of government. Both Senator Mitchell and Senator Dole in recent days have reminded President Bush that they, too, desire cooperation between the parties and branches, but that they, too, have separate constitutional responsibilities as leaders of, potentially the world's greatest body.

As Senators Nunn and Byrd suggested on the first day of this hearing, every Senator has a duty not just to make a personal judgment about Presidential nominees, but he or she also has a responsibility to make an institutional judgment. Senator Warner suggested that as well.

So it is not desirable or acceptable to leave an impression with the public that sitting Senators are saying to former Senators nominated to Cabinet office, "What is a nomination between friends?"

There is a healthy tension that runs throughout the American system of government. Constitutional restrictions are erected to keep the actions of the executive and legislative branches within certain boundaries, not only of legality, I submit, but of propriety as well, when it comes to nominations to high office.

I make these observations in the full knowledge that former Senator Tower will probably be confirmed by a majority vote of the Senate. But just because "he has got the votes" in this honeymoon period and "we have got to live with him" later on, these should not be the predominant reasons, as it is with quite a few troubled consciences in this company town, should not be the predominant reasons for failing to question or oppose his nomination in a rush to judgment.

I wish to stress parenthetically that I have great hopes for the Bush administration; and several friends have assumed or are about to assume high office in the Bush administration. Just as I have great expectations about the new leadership in the Senate, where I have many friends on both sides of the aisle.

RESPONSIBILITY OF THE SECRETARY OF DEFENSE

Although I am sure the Senate Armed Services Committee is thoroughly familiar with the responsibilities of the Secretary of Defense, I do not think these have been outlined sufficiently in this hearing.

The Secretary of Defense, together with the Secretary of State and Joint Chiefs of Staff, have the heaviest responsibility for advising the President on matters relating to the national security of the United States. In contrast to the Secretary of State, however, the Secretary of Defense commands an organization so thoroughly interwoven into the fabric of American social, political, and economic life that his recommendations regarding national security carry influence on not only the foreign environment, but on domestic policy as well. It is a matter of immensity that cannot be ignored or overemphasized.

The Secretary of Defense is responsible, as all of you know, for preparing the annual report to Congress and the biennial fiscal year budget and the 5-year projection of defense programs. Consider that the Secretary of Defense is charged with overseeing a $300 billion-plus budget, with over three million military and civilian personnel under his direct jurisdiction, not to mention the nuclear and conventional arsenals of the Army, Navy, Air Force, and Marines.

The Secretary of Defense alone shares with the President, in the national military command authority, the keys for the initiation of the use of nuclear weapons. The Secretary of Defense is privy to the most sensitive secrets of the Government, including intelligence sources and methods, and has under his direction and control the National Security Agency and the National Reconnaissance Office, among others.

Indeed, the Department of Defense is the largest executive agency in the intelligence business, as Senator Wallop can appreciate from his service on the Intelligence Committee. The largest executive agency in the intelligence business consumes some three-quarters of the Federal intelligence budget.

To briefly list these awesome responsibilities is sufficient reminder that the Senate, in voting on a Secretary of Defense nominee, is not just passing on another Cabinet officer, or picking an interesting politician and defense intellectual with whom to have lunch.

Knowledge of the issues and the weapons may not be as important as management skills. Certainly they are not as important as character, judgment, credibility, and discretion.

DETACHMENT IN THE JOB

Secretaries of Defense since 1961—McNamara, Clifford, Laird, Schlesinger, Rumsfeld, Brown, Weinberger, Carlucci—all have brought different skills and experiences to the job. There is one notable common thread in their backgrounds: Every single one of them, I submit, represented a greater detachment from the defense "culture" or a more independent perspective than the current nominee.

Does President Bush think about this when he is sitting in the White House, like last week, with Senator Tower to his left, talking about honorable service in the Government and talking ethics and deploring the revolving door?

I am aware that last week Mr. Tower critically referred to the "culture of the building," being the Pentagon, and stated that it must be changed. But, frankly, his entire record over three decades indicates that he is part of the problem and not the solution.

Yes, I refer to his membership on this committee, representing one of the largest defense contractor constituencies from the State of Texas. It is not too much of an exaggeration to say that he seldom, if ever, met a major weapons system he did not like in a quarter of a century in the Senate.

Perhaps Senator Cohen, who addressed this issue the other day, perhaps Senator Cohen could be more specific on the systems that Senator Tower advocated canceling in the DOD proposals when Senator Tower was on this committee.

I have observed and studied quite a few annual authorization defense debates on the floor of the Senate, and it was a cold day in July when I saw Senator Tower opposing any major weapons system. I submit that while chairman of this committee he stonewalled in 1983 and 1984 the attempt to reorganize the Pentagon that later led to the Goldwater-Nichols legislation; he was identified with parochial service interests, especially the Navy, which is understandable. And it would be hard to describe him as a champion of weapons procurement reform in the years when he was chairman.

In 1985–1986, he chaired the U.S. strategic arms delegation, START, in Geneva, dealing with the "Trinity" from "air and land and sea," to borrow from that great hymn, "Eternal Father, Strong to Save;" and then turned around in 1986, 1987, and 1988 to advise defense contractors, by his own testimony, on the possible impact of arms control agreements on their businesses!

MISLEADING TESTIMONY

It has been well documented that he lobbied, at high fees, for five or more major defense contractors in an attempt to promote their products. Surely this committee does not now accept his artificial distinction between contractor lobbyists and consultants. Indeed, Senator Levin's colloquy with him the second day of the hearing, not to mention questions of other members, indicate that you do not accept that distinction readily, that is the distinction between contractor lobbyists and consultants.

Or the distinction he tried to draw between non-military and military product lines in totaling up his income from his clients? To recuse himself from decisions involving the weapons these former clients make would, as the chairman has pointed out, strip the Secretary of Defense of any meaningful participation in Pentagon decisions.

By the way, I cannot let pass Senator Tower's statement in an exchange with Senator Warner that he did not "solicit" classified information while representing his clients and moving about town mingling with uniformed and non-uniformed people in the "culture" of defense.

Of course he did. Of course he did. To inquire about the status of a weapons program is to solicit sometimes quite sensitive classified information. Furthermore, it is a way of pressing the interest of your client, just to ask the question, what is the status of the program. Let us be realistic about this "realist". He was not a Senator when he was in this role, nor was he an arms control negotiator.

[The following additional information was submitted for the record by Mr. Jackson.]

It has been well documented that Senator Tower lobbied—for fees in the range of $1 million—for several major defense contractors: LTV Aerospace; Martin Marietta; Rockwell International; Textron; British Aerospace. Several times during the hearings, however, he denied advocating defense programs before the Executive Branch and—even though he had inquired about the status of certain weapon systems in conversations with well-placed government officials—he insisted to Senator Warner that he had not "solicited" sensitive, classified information.

Within weeks after leaving as START chairman, in 1986, Senator Tower had signed on with Rockwell International; and Martin Marietta later employed him in 1987. Tower told the Armed Services Committee that he or his staff analyzed for the "senior management" of Martin Marietta the implications of START talks for "future product development" (such as SDI, MX, and Midgetman). For Rockwell, he provided "senior management" with his views on the future of the B-1 strategic bomber, and his staff anlayzed the implications of arms negotiation on the future of SDI and Midgetman.

While insisting to the Armed Services Committee that "I gave value" to corporate clients, Mr. Tower denied to Senator Levin giving "enlightened" advice on probable outcomes of the arms control negotiations—arguing that he was providing no more than "academic speculation" and what his clients could have read in the newspapers!

The chairman, Senator Nunn, asked: on February 1: Would it be appropriate to advise that a system was about to be eliminated in START? This question drew my attention to the fact that a ban on all mobile ICBMs became part of the American position at START, in November 1985, when Ambassador Tower chaired the delegation; indeed, he personally presented that part of the negotiating package to Victor Karpov, his Soviet counterpart. Such a ban would have aborted not only new Soviet mobile ICBMs but the American multiple-warhead MX and the single-warhead Midgetman.

Martin Marietta in the early 1980s had a principal role in the development of the MX ICBM; it has a continuing role in the production of components of "Peacekeeper" (MX). Rockwell International—which was the prime contractor for the B-1—has a development contract for the "rail garrison" MX. Rockwell provided the guidance system for the Minuteman III ICBM; and was one of three contractors for the Poseidon SLBM. Both Martin Marietta and Rockwell are contractors working on ballistic missile defense (SDI) programs.

To sum up, John Tower as the immediate past head of the START delegation—where he had bargained with the Russians over the strategic "triad"—was in a unique position to provide enlightened, time-sensitive, advice to his corporate clients on highly secret negotiations involving the nation's strategic arsenal. Major cuts in the overall aggregate of bombers and missiles were being discussed in Geneva, in addition to a ban on mobile ICBMs. Did he advise as to whether the no-mobiles proposal was just a negotiating ploy; or whether the U.S. had a fall-back position to allow one exception to the ban—permitting a single-warhead mobile ICBM (Midgetman)? What actions did the contractors take, in regard to trying to change the negotiating position of this country back in Washington, or in regard to adjusting their future plans to focus on weapon systems likely to survive the cut in Geneva?

It defies credibility to argue that former Senator Tower did not provide enlightened advice bearing upon management decisions.

NUNN-WARNER STANDARDS

Mr. Jackson. This leads me to the now-famous, deservedly famous, Nunn-Warner "qualification standards" set down in October 28, 1988, letters to Presidential candidates George Bush and Michael Dukakis, for the purpose of guiding consideration by the Armed Services Committee of persons nominated for civilian positions in the Department of Defense. This was a splendid example of an attempt to seriously fulfill your advice and consent responsibilities under the Constitution, and was in response to growing public concern over the quality and integrity of defense management.

I understand that your full committee endorsed those standards on November 29, that is the Nunn-Warner standards.

In his opening statement on January 25, Senator Nunn emphasized that the Secretary of Defense's ability to lead will be constrained by the recent erosion of public confidence in defense management. Confidence must be restored. "Particularly in the area of defense procurement," stated the chairman.

He went on to note the Pentagon's resistance to reforms recommended by the Packard Commission and in the Goldwater-Nichols legislation.

I think it is important for several of the Nunn-Warner general qualifications for all nominees to be highlighted at this time. I know the chairman stuck it in the record on the first day. Frankly, I fear that a failure to apply them to Senator Tower's nomination will cheapen the currency or undermine later attempts to apply them to other nominees for positions below the Secretary of Defense.

To summarize some of the main points: Nominees must be of unquestionable integrity. Public confidence in them is absolutely essential.

There must be a commitment to emphasizing overall national security goals and objectives, without undue priority placed on parochialism, in order to promote a coherent defense program. "It is imperative that nominees should have and should be seen to have the public interest as their only goal. Actions which call into question this commitment are unacceptable."

Now, I take this last statement to apply to past actions as well as to future actions, because you were talking about nominees, future nominees, in that letter of late October.

Finally, nominees must demonstrate an understanding of and respect for the constitutional principles of this country, including the legitimate role of the Congress. Senator Robert Byrd addressed that issue the first day of the hearing with Senator Tower.

Mr. Chairman, I submit that Senator Tower comes close to flunking several of these standards in the Nunn-Warner letter. I realize, of course, that there were other standards in the letter, such as a substantial understanding of policy issues and experience across the spectrum of security issues. Senator Tower does not require on-the-job training.

I do not know whether he is a capable manager or not. Somehow, I do not think he is suited by temperament for the demands of management. And I refer you to the exchange between Senator Warner and Mr. Tower on the responsibilities of the "number two" man.

But the hardest tests are the ones I addressed in the summary of the main points of the qualification standards that I quoted from earlier. Fewer able people can meet them than the standards of understanding of policy issues and broad experience.

CONCLUSION

Members of the Armed Services Committee, I have serious doubts that John Tower is the best man for the job of Secretary of Defense at this time of great change in the international situation and at this time in American history. "Nixon went to China," a phrase used by President-Elect Bush when he nominated Mr. Tower, as an answer to the concerns I have raised, is not persuasive.

Rather, I prefer another analogy: A Texan rediscovers oil, without knowing the bottom has fallen out of the market! This in a time of budget crunch and contracting scandals.

Senator Stuart Symington, as many of you know and remember, who recently died, used to preach over and over again that national security lies not just in a strong defense, but also in a sound dollar and in the confidence of the American people.

I do not see the need for someone associated with a "fire hose" approach to the defense budget and someone who is mired in the "revolving door" culture. I fail to see how he will inspire reform confidence, or why he would give due consideration to fiscal constraints on the national budget. He has difficulty, clearly, in coming to grips with Senator Levin's question about resources and commitments or, you might call them, imperial overstretch questions. Senator Levin put to him some quotes from his past, to paraphrase, "We ought to buy anything for defense that was needed; affordability should not be the issue."

I think Senator Tower has illustrated before this committee he has trouble coming to grips with that "imperial overstretch" question or resources and commitments question. As he said before this committee, "I was a partisan of the MX and godfather to the Midgetman." This is the problem with Senator Tower. Will he take direction from Mr. Darman of the Office of Management and Budget? He just might be a Weinberger with impact.

I liked Senator Kennedy's question: Does Senator Tower in his new role as nominee to be Secretary of Defense see a new 65-story building or is he still looking for the 100-story skyscraper?

In the final analysis, of course, Mr. Chairman and Senator Warner and members of this committee, you will vote as a body of 100 on this nomination. I hope the body of 100 will ask this question: What example is being rewarded with this nomination? To be an interesting character is not sufficient reason, not sufficient justification, to be Secretary of Defense.

Thank you, Mr. Chairman.

[The prepared statement of Mr. Jackson follows:]

PREPARED TESTIMONY OF WILLIAM E. JACKSON, JR. (SENIOR FELLOW, FULBRIGHT INSTITUTE OF INTERNATIONAL RELATIONS)

Mr. Chairman, Senator Warner, and, members of the Senate Armed Services Committee: I appreciate the opportunity to appear before this distinguished committee as you pursue your duties under the "advice and consent" clause of the Constitution. Just as there must be no "sacred cows" in the defense budget, there must be no golden passports or "sacred nominees" to the highest appointive offices in the land. It is imperative that this hearing not be—or perceived to be—an "old boy" confirmation rite of passage.

AMERICAN PRINCIPLES

The American system is not, and never will be, a parliamentary system—as much as some Anglophiles, lawyers and political scientists imagine they would like it to be. Senators are wise to view with suspicion colleagues who sit in this body and champion Executive supremacy—not partnership—in matters of war and peace, defense and diplomacy. It is proper to ask if they are sufficiently grounded in the native American system based on Madisonian principles.

Of course, in this committee, there is a deep appreciation for the Constitution, as written; there can be no better proof of this than the successful struggle waged by Senators Nunn and Levin to preserve the traditional interpretation of the ABM Treaty of 1972 and re-establish in everyone's minds the Constitutional role of the Senate in the treaty process.

Some philosophers have asserted that democracy presupposes the perfectibility of man. But the Founding Fathers had a different view: "If men were angels" said the 50th *Federalist*, "no government would be necessary." One might amend that to read: if men were angels, there would be no need for a Senate check on the nominees of Presidents. As Gouverneur Morris, one of the architects of the "advice and consent" clause put it in 1787: "As the President was to nominate, there would be responsibility, and as the Senate was to concur, there would be security."

Belief in human perfectibility, indeed, belief in appointees "conversion" on the confirmation road to Damascus, by sometimes exaggerating human possibilities and minimizing the corruptions of power, can lead as logically to absolutism as to democracy. (I am indebted to Arthur Schlesinger Jr.'s essay on "Democracy and Leadership" for this point.) But, yes, the exercise of dissent and questioning and opposition can temper the delusions of power. Democracy does not eliminate irrationality from politics, but it can foster the conviction that, as the greatest of Presidents put it, you cannot fool all of the people all of the time. Democracy rests on the mixed view of human nature, on people as they are in all their frailty and their glory. To paraphrase Reinhold Niebuhr, man's capacity to do good makes democracy possible, but man's inclination to mess up makes the confirmation process necessary. (The actual quotation from Niebuhr: "Man's capacity for justice makes democracy possible, but man's inclination to injustice makes democracy necessary.")

THE CONSTITUTION BETWEEN FRIENDS

There is a great temptation, however, to ask in a "honeymoon" period with a new President—and I, too, am heartened by the sounds of bipartisan cooperation in national security policy—there is this temptation to ask: "What's the Constitution between friends?" (See Louis Fisher, *The Constitution Between Friends: Congress, the President, and the Law.*) This question from an anecdote about President Grover Cleveland—who refused to endorse legislation sponsored by a Tammany Hall politician because he thought it was unconstitutional—provides in capsule form the recurring conflict between constitutional principles and responsibilities, such as approving or disapproving presidential nominees, and short-run political objectives, such as rushing to help a new President get his team aboard.

And, of course, it illustrates the struggle between the executive and legislative branches of government. Both Senator Mitchell and Senator Dole in recent days have reminded President Bush that they, too, desire cooperation between the parties and the branches but that they, too, have separate Constitutional responsibilities as leaders of (potentially) the world's greatest deliberative body.

As Senators Nunn and Byrd suggested on the first day of this hearing, every Senator has a duty not just to make a *personal* judgment about presidential nominees but he or she also has a responsibility to make an *institutional* judgment. So it is not desirable or acceptable to leave an impression with the public that sitting Senators are saying to former Senators nominated to Cabinet office: "What's a nomination between friends?"

There is a healthy tension that runs throughout the American system of government. Constitutional restrictions are erected to keep the actions of the executive and legislative branches within certain boundaries—not only of legality, I submit, but of propriety as well, when it comes to nominations to high office.

I make these observations in the full knowledge that former Senator Tower will probably be confirmed by majority vote of the Senate. But just because "he's got the votes" in this honeymoon period and "we've got to live with him" later on should *not* be the predominant reasons—as it is with quite a few troubled consciences in this company town—for failing to question or oppose his nomination in a rush to judgment.

(I wish to stress that I have great hopes for the Bush administration; and several friends have assumed, or are about to assume, high office in it. Just as I have great expectations about the new leadership of the Senate, where I have many friends on both sides of the aisle.)

RESPONSIBILITIES OF THE SECRETARY OF DEFENSE

Although I am sure the Senate Armed Services Committee is thoroughly familiar with the responsibilities of the Secretary of Defense, I do not think these have been outlined in this hearing.

The Secretary of Defense together with the Secretary of State and the Joint Chiefs of Staff have the heaviest responsibility for advising the President on matters relating to the national security of the United States. In contrast to the Secretary of State, however, the Secretary of Defense commands an organization so thoroughly interwoven into the fabric of American social, political, and economic life that his recommendations regarding national security carry influence on not only the foreign environment but the domestic one as well. It is a matter of *immensity* that cannot be ignored or over-emphasized.

The Secretary of Defense is responsible for preparing the annual report to Congress on the biennial fiscal year budget and the five-year projection of defense programs. Consider that the Secretary of Defense is charged with overseeing a $300 billion-plus budget with 3 million military and civilian personnel under his direct jurisdiction—not to mention the nuclear and conventional arsenals of the Army, Navy, Air Force, and Marines. The Secretary of Defense *alone* shares with the President, in the national military command authority, the "keys" for the initiation of the use of nuclear weapons. The Secretary of Defense is privy to the most sensitive secrets of the government, including intelligence sources and methods, and has under his direction and control the National Security Agency (NSA) and the National Reconnaissance Office (NRO). Indeed, the Department of Defense is the largest executive agency in the intelligence business, consuming some three-quarters of the federal intelligence budget. And so on.

To briefly list these awesome responsibilities is sufficient reminder that the Senate, in voting on a Secretary of Defense nominee, is not just passing on another Cabinet officer (or picking an interesting politician and defense intellectual with whom to have lunch). Knowledge of the issues and the weapons may *not* be as important as management skills. Certainly they are not as important as character, judgment, credibility, and *discretion.*

DETACHMENT IN THE JOB

Secretaries of Defense since 1961—McNamara, Clifford, Laird, Schlesinger, Rumsfeld, Brown, Weinberger, Carlucci—all have brought different skills and experiences to the job. There is one notable common thread in their backgrounds; every single one of them represented a greater *detachment* from the "defense culture" or a more independent perspective than the current nominee.

I am aware that last week Mr. Tower critically referred to the "culture of the building" (Pentagon) and stated that it has to be changed. But, frankly, his entire record over three decades indicates that he is part of the problem, and not the solution. Yes, I refer to his membership on the SASC (Senate Armed Services Committee), representing one of the largest defense contractor constituencies from Texas. It is not too much of an exaggeration to say he seldom, if ever, met a weapon system he didn't like. I submit that, while chairman of this committee, he stonewalled in 1983-1984, the attempt to reorganize the Pentagon that later led to the Goldwater-Nichols legislation; he was identified with parochial service interests, especially the Navy. And it would be hard to describe him as a champion of weapon procurement reform in the years when he was chairman. In 1985-1986, he chaired our strategic arms delegation (START) in Geneva—dealing with the "trinity" from "air and land and sea." (to borrow from that great hymn, "Enternal Father, Strong to Save"); and then turned around in 1986-1988 to advise defense contractors on the possible impact of arms control agreements on their business.

MISLEADING TESTIMONY

It has been documented that he lobbied—at great fees—for five or more major defense contractors in an attempt to promote their products. Surely this committee does not now accept his artificial distinction between contractor lobbyists and consultants? Or the distinction he tried to draw between non-military and military product lines in totalling up his income from his clients? To recuse himself from decisions involving the weapons these former clients make would, as Senator Nunn pointed out, strip the Secretary of Defense of any meaningful participation in Pentagon decisions.

By the way, I cannot let pass Senator Tower's statement that he did not "solicit" classified information while representing his clients and moving about town mingling with uniformed and non-uniformed people in the "culture" of defense. Of course he did! To inquire about the status of a weapons program is to *solicit* (quite sensitive) classified information. Furthermore, it is a way of pressing the interests of your client. Let's be realistic about this "realist." He was not a Senator when he was in this role, nor was he an arms control negotiator.

NUNN-WARNER STANDARDS

This leads me to the now-famous Nunn-Warner "qualification standards," set down in October 28, 1988, letters to presidential candidates George Bush and Michael Dukakis, for the purpose of guiding consideration by the SASC of persons nominated for civilian positions in the Department of Defense. This was a splendid example of an attempt to seriously fulfill your own "advice and consent" responsibilities under the Constitution, and was in response to growing public concern over the quality and integrity of defense management. I understand that your full committee endorsed the standards on November 29.

In his opening statement on January 25, Senator Nunn emphasized that the Secretary of Defense's ability to lead will be constrained by the recent erosion in public confidence in defense management. Confidence must be restored "particularly in the area of defense procurement," stated Senator Nunn; he went on to note the Pentagon's resistance to important reforms recommended by the Packard Commission and in the Goldwater-Nichols legislation.

I think it's important for several of the Nunn-Warner general qualifications for all nominees to be highlighted at this time. Frankly, I fear that a failure to apply them to Senator Tower's nomination will cheapen the currency, or undermine later attempts to apply them to other nominees for positions below the Secretary of Defense.

To summarize some of the main points: Nominees must be of unquestionable integrity. Public confidence in them is *absolutely essential.* There must be a commitment to emphasizing overall national security goals and objectives, without undue priority placed on parochialism, in order to promote a coherent defense program. "It is imperative that *nominees should have and should be seen to have* the public interest as their only goal. Actions which call into question this comment are *unacceptable.*" [I take this statement to apply to past actions, as well as future actions.] Finally, nominees must demonstrate an understanding of and respect for the Constitutional principles of this country, including the legitimate role of Congress.

Mr. Chairman, I submit that Senator Tower comes close to flunking several of these standards. I realize there were other standards in the letter, such as a substantial understanding of policy issues and experience across the spectrum of security issues; he does not require on-the-job training. (I do not know if he is a capable manager or not; somehow I don't think he is suited by temperament for the demands of management.) But the hardest tests are the ones in the previous paragraph; fewer able people can meet them than the standards in this paragraph.

CONCLUSION

Members of the Armed Services Committee, I have serious doubts that John Tower is the best man for the job of Secretary of Defense *at this time* in our history. "Nixon went to China" as an answer to the concerns I have raised is not persuasive. A Texan rediscovers oil—without knowing the bottom has fallen out of the market—might be a better analogy! This is a time of budget crunch and contracting scandals.

Senator Stuart Symington warned us years ago that national security lies not just in a strong defense, but also in a sound dollar and in the confidence of the American people. I do not see the need for someone associated with a "fire hose" approach to the defense budget and someone who is mired in the "revolving door" culture. I fail to see *how* he will inspire reform confidence or *why* he will give due consideration to fiscal constraints on the national budget. Will he take direction from Richard Darman at OMB? He just might be a "Weinberger with impact."

In the final analysis, you will vote as a body of 100 on this nomination. Ask yourselves: What example is being rewarded with this nomination? To be an interesting character is not sufficient reason to be Secretary of Defense.

Chairman NUNN. Thank you, Mr. Jackson. Mr. Jackson, if you do not mind taking a seat over to the left, and we will let Mr. Phillips come up next and sit in the middle here, and Mr. Weyrich will come at the end and we will be all arranged.

Mr. Phillips, we are glad to have you. I understand we will have your complete statement in the record and that you will be summarizing a portion of it.

So without objection your entire statement will be in the record.

STATEMENT OF WILLIAM G. PHILLIPS, PRESIDENT, NATIONAL COUNCIL FOR INDUSTRIAL DEFENSE

Mr. PHILLIPS. Thank you, Mr. Chairman, for the opportunity to present my views on former Senator John G. Tower to be Secretary of Defense.

I am William G. Phillips. I am president of the National Council for Industrial Defense (NCID). We are strongly opposed to the Tower nomination on substantive defense policy grounds. The detailed reasons for such opposition are set forth in my prepared statement. I will summarize them as much as possible in this oral presentation.

The National Council is a Washington-based nonprofit, nonpartisan organization founded in 1986. Our objective is the rejuvenation of our U.S. industrial base and to help strengthen our national defense.

Mr. Chairman, except for my military service in World War II and a brief stint in the executive branch, my career in public service has been spent here on the Hill as a congressional staff member with members and committees. I have never testified in opposition to any Presidential appointee, nor spoken publicly about any of the many hundreds of dedicated, elected Members of the House and Senate with whom I have served during 23 years of staff experience. I am breaking that rule today after much soul-searching, and only because of the critical importance of decisions that must be made by the next Secretary of Defense over the next several years.

I have a deep and abiding respect for this institution—the "people's branch" of our Federal Government—and for the Members who serve it. I hold no animosity toward former Senator Tower and had no opportunity to work with him on legislative matters during his years of service in this body. As former Senator, he is certainly entitled to courtesy and consideration.

REVOLVING DOOR POLICY

I requested this time to convey the views of the organization I represent solely because of my sincere conviction that Mr. Tower would be the wrong type of Defense Secretary for these perilous times of defense transition and severe budgetary restraints.

In my judgment, his confirmation would signal "Pentagon business as usual" to our defense establishment, to our allies, and to our global adversaries as well. His confirmation would signal to the defense contractor community that they have little to fear from meaningful reform of defense procurement procedures of the type advocated by the Packard Commission or by effective implementation of the Goldwater-Nichols Act.

It would signal that the "revolving door" of Pentagon-defense contractor relationships was still in vogue. It would likewise announce to the global multinational defense establishment that the U.S. procurement door is still wide open, and would result in even deeper erosion of the U.S. defense industrial base.

The broad basis for our opposition to Mr. Tower's appointment to the top defense post is spelled out in my November 22, 1988 letter to President-elect Bush almost a month before his choice was announced. The text of that letter is included at the conclusion of my prepared statement. It expresses NCID's serious concerns about Mr. Tower's qualifications and respectfully urges that consideration be given to other possible appointees that had been mentioned in the press.

Our objections to the Tower appointment fall into two categories: first, his public record on a number of critical defense policy issues; and second, matters involving potential conflicts of interest, integrity, and ethical judgment.

JUDGMENT AND ETHICS

My testimony this morning deals only with defense policy issues. Questions that have been raised about Mr. Tower's ethics, judgment, and his representation of large foreign interests and U.S. defense contractors after leaving the Senate have presumably been dealt with in the official investigations already made.

They have also been the subjects of inquiry in these confirmation hearings last week. Therefore, I do not consider such sensitive personal matters to be relevant to my testimony.

DEFENSE POLICY

Many of our defense policy objections to the Tower nomination are centered on what we consider to be his failure to understand the vital U.S. defense industrial base issues as they affect the smaller defense contractors and lower-tier subcontractors.

We have seen no real indication by Mr. Tower of his concern over the loss of U.S. technological leadership, of our industrial competitiveness, or the importance of national security emergency preparedness or defense production strategies to our overall national defense requirements.

Nor have we seen any expression of his concern over the growing dependency of our Nation on offshore sources for key parts, components, and sub-assemblies of our major weapons systems.

DEFENSE INDUSTRIAL BASE

You may recall, Mr. Chairman, that my testimony on defense industrial base legislation before Senator Bingaman's subcommittee last March provided factual data about the dangerous erosion of our U.S. defense industrial infrastructure, especially at the second and third tier subcontractor levels. I cited examples of what we feel are short-range DOD procurement policies that have given unfair competitive advantage to offshore suppliers over U.S. defense production firms.

The dangerous trend toward expanding our foreign sourcing makes us more vulnerable to potential enemies in a first-strike scenario. Defense production facilities in parts of Europe and Asia on which we are becoming increasingly dependent could be quickly destroyed. This would make us more vulnerable to enemy attack from this loss of offshore, often sole source, suppliers of critical components essential to weapons system fabrication work here in this country.

COSTELLO REPORT ON INDUSTRIAL COMPETITIVENESS

NCID has strongly supported the conclusions and recommendations of the Costello report, issued last July, entitled "Bolstering Industrial Competitiveness." Many of these recommendations have been advocated by NCID in congressional testimony during the past 2 years.

Similar conclusions about the extent of decay of our industrial manufacturing and repair base and technology base capabilities were reached by a number of other recent governmental and private studies.

We had hoped that Mr. Tower would consider the U.S. defense industrial base of significant importance, and that he would have outlined for this committee his plans to implement recommendations of the Costello report and how he would address critical defense industrial base problems pinpointed in these other studies.

We seriously doubt Mr. Tower's basic understanding of defense industrial base matters. Before the committee meets to consider and vote on his confirmation, our organization suggests that Mr. Tower be requested to furnish detailed information about his views and plans affecting the revitalization of the U.S. defense industrial and technology base, and his position on the growing trend toward increased offshore sourcing.

In this connection, I have suggested 12 questions over the next two pages of the type which I think reasonably and honestly should be addressed to Mr. Tower before the committee acts to finalize his appointment to the top Defense post, as most all of us here realize will happen.

As you know, Mr. Chairman, the growing awareness and concern by the American public and in Congress over the unhealthy state of our defense industrial base resulted in the enactment last year of several important new provisions in the Fiscal Year 1989 National Defense Authorization Act.

Under your leadership and that of Senators Bingaman, Dixon, and other members of this committee, sections 821–825 of that legislation added important first steps in addressing defense industrial base problems. We have searched in vain for evidence of Mr. Tower's support for these congressional initiatives or how they might be effectively implemented during his tenure as Secretary. Perhaps he would view them as further examples of congressional "micro-management" of defense establishment affairs.

DEFENSE PROCUREMENT

Defenders of the so-called "two-way street" in defense procurement between the United States and friendly foreign governments cite statistics purporting to show that our country really enjoys a favorable balance of defense trade with most of these nations. This may be true if only data involving sales by large prime contractors is considered. But the increasing levels of subcontractor activity in most modern weapons systems blurs the defense trade statistical picture.

As has been noted earlier, DOD has no reliable data base to ascertain the actual dollar amounts or sources of foreign subcontractor defense items. If such data were included in the defense trade balance assessment, a far different pattern would likely emerge.

Last year, NCID analyzed DOD procurement data for fiscal year 1987. Our analysis shows that offshore defense spending was actually three times the Pentagon's $8.8 billion estimate as reported to Congress, and in the range of $20 billion to $30 billion when all the categories of offshore defense spending are included in the total.

The committee might well inquire of Mr. Tower his views concerning the burgeoning amounts of U.S. dollars being spent in other nations on defense materials and its adverse effect on American subcontractors, our trade imbalance, and the size of our Federal budget deficit.

MEMORANDA OF UNDERSTANDING

A major factor that has spurred the growth of offshore defense procurement in recent years has been the so-called reciprocal defense procurement arrangements negotiated by DOD with some 19 foreign defense establishments through Memoranda of Understanding, or MOUs.

These MOUs are mostly with NATO countries, with few notable exceptions. They are not subject to Senate approval. Little or no consideration is given by DOD negotiators as to the impact that such indiscriminate offshore sourcing of any particular item of defense hardware might have on the viability of that portion of our defense industrial base.

Meanwhile, many smaller U.S. bidders seeking to penetrate the offshore defense markets under the reciprocal arrangement have been systematically excluded, even when their prices are competitive. In effect, they are told by the foreign defense official: "we cannot accept your bid for this defense item because we must maintain our own defense industrial base."

It would seem to be important for the committee to obtain detailed statements from Mr. Tower about his views concerning the MOU process, the future of NATO's application of meaningful RSI programs, particularly as they affect conventional battlefield weaponry, and the adverse effect that country-by-country blanket waivers of Buy American statutes are having on the U.S. defense subcontractor base.

The National Council is not advocating a defense procurement policy that would require each and every part or component of every U.S. weapons system to be manufactured within our borders. Certainly, it is to our advantage and that of our allies to achieve a reasonable level of cooperative effort in defense procurement as well as in research and development.

We must achieve the proper balance between the need to preserve our domestic technological and manufacturing capability and to assure reliable sources for the critical raw materials essential for weapons production, and the corresponding needs of other nations with whom we share mutual defense responsibilities. We must also maintain the necessary levels of skilled manpower required for defense production, constantly upgrading such skills as new technology is developed.

DEFENSE PRODUCTION CAPABILITY

Finally, we must always assure adequate U.S. defense production capability for the military-critical parts and components that are incorporated in the major weapons systems on which we must rely for our ultimate national security in time of emergency. It is the primary objective of our long-range U.S. defense policy in our judgment, and must be assigned the highest priority by our incoming Secretary of Defense.

As indicated earlier in my testimony, NCID is not alone in reaching these conclusions. The U.S. defense establishment has become too dependent on offshore suppliers for a growing number of critical weapons systems parts and components.

Many more of such critical dependencies have been yet to be identified because of inadequate DOD foreign procurement recordkeeping. Some of the offshore dependences may already be creating alarming defense vulnerabilities in a number of critical areas.

CRITICAL DEPENDENCIES

For example, sole or endangered sources of certain high-purity silicon used in chips for U.S. missile guidance systems; a rayon fiber for resin-impregnated cloth used in producing rocket nozzles and other parts of our space shuttles and in our missile systems; in certain types of precision optical equipment; in gallium-arsenide computer chips and integrated circuit boards; in certain types of industrial fasteners; ferrochromium used in jet engines, in forged steel crankshafts and other components of combat naval vessels and battle tanks; certain types of machine tools, bearings and a variety of other essential parts and components of U.S. weapons systems.

RECIPROCAL DEFENSE PROCUREMENT

Mr. Chairman, operation of the MOU reciprocal defense procurement process is particularly alarming. While some large U.S. prime contractors may benefit from these arrangements with foreign governments, it is the smaller primes and lower-level subcontractors so vital to our defense industrial base that have suffered grave economic hardships during the past decade.

THE PLIGHT OF SMALL DEFENSE CONTRACTORS

They are the forgotten links in the U.S. defense industrial chain. They are the type of small business firms who make up NCID's constituency. As you may know, our organization filed suit last year in Federal District Court to challenge the legality of the MOU system and DOD blanket waivers of the Buy American Act. That suit is presently awaiting further action in the courts.

Lower-tied U.S. defense subcontractors, for a variety of reasons, have found it increasingly difficult to compete against offshore suppliers for U.S.-funded defense work under the arbitrary and unfair rules established under the MOU game.

Little attention is directed at the crucial importance of lower-tier defense subcontractors either in the Pentagon or in Congress. Representatives of these firms are not invited to serve on defense production advisory panels, nor can they afford Washington representation, defense contract consulting assistance, or have political action committees.

I speak for them here today and respectfully urge that this committee, as well as DOD officials from the Secretary on down the ladder, recognize the vital contributions being made by these smaller suppliers to the overall national defense production apparatus.

Unfortunately, we have seen no recognition of this problem in any of the public statements by Mr. Tower, let alone any commitment to take the remedial administrative actions that are necessary to address them adequately. Again, Mr. Chairman, we hope that this committee would solicit the views of Mr. Tower about what actions he would take to assure fair treatment of the smaller U.S. defense suppliers in their efforts to obtain the work for which they are qualified.

SUMMARY

In conclusion, Mr. Chairman, the National Council believes that John Tower lacks the essential qualifications so desperately needed at this critical period of our Nation's history. His defense policy priorities, in our judgment, ignore what we consider to be the important long-range needs of our national defense in the 1990s.

It is not enough for any Secretary of Defense to be for a strong national defense, or to have a long public record of advocacy for higher budgets.

Perhaps it is true, as some say, "that John Tower has never seen a weapons system he did not like". But money alone cannot solve the basic ills of our defense establishments. Current budgetary restraints underscore that fact.

In my statement, I have identified major priorities designed to restore American industrial, scientific, and technological leadership which are the foundations for the development of the necessary mix of military weaponry—reliable, workable, affordable, and mission-oriented—that is needed to guarantee our national security and world stability. We have seen little understanding of the importance of these priorities in John Tower's record or in his testimony before this committee.

I have suggested a number of important questions that we feel must be addressed by Mr. Tower before the committee makes its final decision on his nomination. All these questions seek to ascertain precisely what views he might have on issues involving the revitalization of the U.S. defense industrial base and are certainly most relevant to the future of our national defense in the coming decade. The committee and the American people deserve to know what priority he would assign to these defense-critical matters.

Mr. Chairman, no first-rate world power today can sustain itself without a strong, innovative industrial manufacturing capability.

That truism applies to both the commercial and defense-related sectors of our national economy.

The de-industrialization of America would rob us of effective control over our economic and political destiny. It would cripple our ability to defend ourselves against foreign aggression, and force our Nation into a secondary role in the conduct of world affairs.

America's freedom and independence of action in our own national self-interest must never be subcontracted to other nations on whom we have become dependent for the weapons vital for our own national defense in time of emergency.

Thank you for the opportunity to appear here and to present these views.

[The prepared statement of Mr. William G. Phillips follows:]

Prepared Statement by William G. Phillips, President
National Council for Industrial Defense

Thank you, Mr. Chairman, for the opportunity to present these views on the nomination of former Senator John G. Tower to be Secretary of Defense.

The National Council for Industrial Defense (NCID) is strongly opposed to the Tower nomination on substantive defense policy grounds. The detailed reasons for such opposition are set forth in my prepared statement. I ask that the full statement be made a part of the hearing record and I will summarize them in my oral presentation.

The prepared statement also includes background about the National Council, a Washington-based nonprofit, nonpartisan organization founded in 1986. This background material outlines our objectives in the revitalization of our United States industrial base to help strengthen our national defense. It also provides information about NCID's principals, membership, and goals.

Mr. Chairman, except for my military service in World War II and a brief stint in the Executive branch, my career in public service has been spent here on the Hill as a Congressional staff member with Members and committees. I have never testified in opposition to any Presidential appointee, nor spoken publicly about any of the many hundreds of dedicated elected Members of the House and Senate with whom I had served during 23 years of staff assignments. I am breaking that rule today after much soul-searching and only because of the critical importance of decisions that must be made by the next Secretary of Defence over the next several years.

I have a deep and abiding respect for this institution -- the "peoples' branch" of our Federal government -- and for the Members who serve here. I hold no animosity toward former Senator Tower and had no opportunity to work with him on legislative matters during his years of service in this body. As a former Senator, he is certainly entitled to courtesy and consideration.

I requested this time to convey the views of the organization I represent solely because of my sincere conviction that Mr. Tower would be the wrong type of Defense Secretary for these perilous times of defense transition and severe budgetary restraints. In my judgment, his confirmation would signal "Pentagon business as usual" to our defense establishment, to our allies, and to our global adversaries as well. His confirmation would signal to the defense contractor community that they have little to fear from any meaningful reform of defense procurement procedures of the type advanced by recommendations of the Packard Commission or by effective implementation of the Goldwater-Nichols Act. It would signal that the "revolving door" of Pentagon-defense contractor relationships was still in vogue. It would likewise announce to the global multinational defense establishment that the U. S. procurement door is still wide open and would result in even deeper erosion of our U. S. defense industrial base.

The broad basis for our opposition to Mr. Tower's appointment to the top defense post is spelled out in my November 22, 1988 letter to President-elect Bush, almost a month before his choice was announced. The text of that letter is also included in my prepared statement. It expresses NCID's serious concerns about Mr. Tower's qualifications and respectfully urges that consideration be given to other possible appointees that had been mentioned in the press. Our objections to the Tower appointment fall into two categories -- first, his public record on a number of critical defense policy issues; and second, matters involving potential conflicts of interest, integrity, and ethical judgment.

My testimony this morning deals only with defense policy issues. Questions that have been raised about Mr. Tower's ethics, judgement, and his representation of large foreign interests and U.S. defense contractors after leaving the Senate have presumably been dealt with in the official investigations already made. They have also been the subjects of inquiry in these confirmation hearings last week. Therefore, I do not consider such sensitive personal matters to be relevant to my testimony.

Many of our defense policy objections to the Tower nomination are centered on what we consider to be his failure to understand the vital U. S. defense industrial base issues as they affect the smaller defense contractors and lower-tier subcontractors. We have seen no real indication by Mr. Tower of his concern over the loss of U. S. technological leadership, of our industrial competitiveness, or the importance of our national security emergency preparedness, or defense production strategies to our overall national defense requirements. Nor have we seen any expression of his concern over the growing dependency of our Nation on offshore sources for key parts, components, and sub-assemblies of our major weapons systems.

You may recall, Mr. Chairman, that my testimony on defense industrial base legislation before Senator Bingaman's subcommittee last March provided factual data about the dangerous erosion of our U. S. defense industrial infrastructure, especially at the second and third tier subcontractor levels. I cited examples of what we feel are short-range DoD procurement policies that have given unfair competitive advantage to offshore suppliers over U. S. defense production firms. The dangerous trend toward expanding of foreign-sourcing makes us more vulnerable to potential enemies in a first-strike scenario. Defense production facilities in parts of Europe and Asia on which we are be-becoming increasingly dependent could be quickly destroyed. This would make us more vulnerable to enemy attack from this loss of offshore, often sole source, suppliers of critical components essential to weapons systems fabrication work here.

As I pointed out in last March's hearings, the Pentagon does not even know the extent or sources of such overseas dependencies or our level of potential vulnerability because it lacks an adequate data base to track such foreign purchases at the subcontractor levels. This weakness was later confirmed in the July, 1988 report by Under Secretary of Defense (Acquisition) Robert Costello. The Costello report ("Bolstering Defense Industrial Competitiveness") concluded (page 47):

> "The Department of Defense does not know the extent to which foreign-sourced parts and components are incorporated into the systems it acquires. There is no systematic, established means to identify foreign-sourced parts and components and, hence, no way to determine the extent of foreign dependencies or vulnerabilities...In a national emergency, the consequences of extensive dependence on foreign sources could be extreme.
>
> "More immediately, however, an apparent consequence is that we are experiencing the loss of technological leadership in key manufacturing technologies at an increasing rate. This has extreme adverse potential for our long-term security interests."

NCID has strongly supported the conclusions and recommendations of the Costello report, many of which we had advocated in Congressional testimony to House and Senate committees. Similar conclusions about the extent of decay of our industrial manufacturing and repair base and technology base capabilities were reached by a number of other recent governmental and private studies. They included the Defense Science Board, the Air Force Association, the National Research Council, the Congressional Office of Technology Assessment, the Center for Strategic and International Studies, and others. Most of these studies of industrial and technology base erosion contain positive recommendations to the Secretary of Defense and other key defense officials for remedial actions to address these weaknesses. We had hoped that Mr. Tower would consider the U. S. defense industrial base of significant importance and that he would have outlined to this committee his plans to implement recommendations of the Costello report and how he would address critical defense industrial base problems pinpointed in these other studies.

We seriously doubt Mr. Tower's basic understanding of defense industrial base matters. Before the committee meets to consider and vote on his confirmation, our organization suggests that Mr. Tower be requested to furnish detailed information about his views and plans affecting the revitalization of the U. S. defense industrial and technology base and his position on the growing trend toward increased offshore sourcing. In this connection, we respectfully submit the following types of questions that should be addressed to Mr. Tower --

1. What will you do as Secretary to provide adequate budget resources to make the American industrial and repair bases more competitive?
2. Will you support budget increases for manufacturing technology and industrial modernization incentives?
3. What are your funding objectives for enhancing the competitiveness of lower-tier defense suppliers and vendors?
4. What will be your approach to effectively implement industrial base policy and strategy recommendations of the Costello report?
5. What are your views on the Total Quality Management (TQM) and the Graduated Mobilization Response initiatives?
6. Will you support efforts of the Commerce Department to amend anti-trust laws to encourage "flexible manufacturing networks" such as Michigan's Flint River Project and consortia such as SEMATECH?

7. Will you support the $29 million funding proposal to establish the vital DoD automated manufacturing data base (Defense Industrial Network or DINET) to permit tracking of foreign-sourced weapons systems parts and components in order to identify dependencies and vulnerabilities?

8. What are your views on the implementation of the defense industrial base initiatives enacted by Congress last year as sections 821-825 of the FY 1989 National Defense Authorization Act (P. L. 100-456)?

9. What strategies would you employ to assure that U. S. war plans include realistic industrial resupply capability, not merely assuming adequate industrial base capability in time of national emergency?

10. What are your views concerning the use of the Defense Production Act as a workable tool to assist in the revitalization of our defense industrial base?

11. To what extent do you feel that U. S. industry can be modernized to make it a more viable force in global defense manufacturing competition once an integrated defense community is established among nations of the European common market by 1993?

12. To what extent did your former defense clients and their offshore subcontractors engage in arrangements whereby such subcontractors were making sales of defense products that would violate U. S. export control or foreign military sales laws if such sales were made by a U. S.-based prime contractor?

As you know, Mr. Chairman, the growing awareness and concern by the American public and in Congress over the unhealthy state of our defense industrial base resulted in the enactment last year of several important new provisions in the Fiscal 1989 National Defense Authorization Act (P. L. 100-456). Under your leadership and that of Senators Bingaman, Dixon, and other members of this committee, sections 821-825 of that legislation added important first steps in addressing defense industrial base problem areas. Other provisions of the Omnibus Trade and Competitiveness Act of 1988 (P. L. 100-418) also established new or enhanced programs to improve our competitive position in world trade and to curb unfair foreign trade practices in the effort to shrink our bloated trade deficit. We have searched in vain for evidence of Mr. Tower's support for these Congressional initiatives or how they might be effectively implemented during his tenture as Secretary. Perhaps he would consider them as further examples of Congressional "micromanagement" of defense establishment affairs.

The National Council is likewise opposed to Mr. Tower's long advocacy of DoD's escalating offshore procurement policies. Eager "buy foreign" advocates of the Office of International Acquisition, Assistant Secretary of Defense (Production and Logistics) have recently published a detailed guide to assist foreign firms seeking U. S. defense contracts and subcontracts. It is entitled "Doing Business with the Department of Defense: A Guide for Foreign Firms." This office is apparently unaware of other DoD and Congressional actions that have focused on ways to strengthen the U. S. defense industrial base, while they set out to do just the opposite!

Defenders of the so-called "two-way street" in defense procurement between the U. S. and friendly foreign governments cite statistics purporting to show that our country really enjoys a favorable balance of defense trade with most of these nations. This may be true if only data involving sales by large prime contractors is considered. But the increasing levels of subcontractor activity in most modern weapons systems blurs the defense trade statistical picture. As has been noted earlier, DoD has no reliable data base to ascertain the actual dollar amounts or sources of foreign subcontractor defense items. If such data were included in the defense trade balance assessment, a far different pattern would likely emerge.

Last year, NCID analyzed DoD procurement data for Fiscal 1987. DoD officials have stated in Congressional testimony that FY 1987 offshore procurement was only $8.8 billion out of a total procurement of $156.5 billion, or slightly over 5 percent. But they neglected to say that the $8.8 billion figure only includes amounts in defense prime contracts! It also omits the billions of dollars in defense supply, construction, and service contracts purchased overseas. The FY 1990 DoD budget submitted earlier this month contains over $1 billion for offshore construction projects alone. The Pentagon's $8.8 billion figure, more importantly, also ignores the untold billions of dollars spent in offshore subcontracting that it has no reliable way of determining. Moreover, that grossly underestimated figure also fails to include the billions of dollars in long-term U. S. obligations incurred by offset agreeements demanded and obtained by foreign governments for their purchases of U. S. military hardware. Our analysis of the DoD procurement figures for FY 1987 has estimated that offshore defense spending was actually three times the Pentagon's $8.8 billion figure reported to Congress -- in the range of $20 billion to $30 billion when all of the categories of offshore defense spending are included in the total! This makes the total as much as 20 percent -- not 5 percent -- of all DoD procurement spent offshore. An August, 1988 report on offshore subcontracting data by GAO entitled "Industrial Base: Defense-Critical Industries" (GAO/NSIAD-88-192BR) confirms DoD's use of prime contracting data only in its statistical assessment of offshore procurement. Of course, the cost of our support of the NATO infrastructure and the maintenance of U. S. troops in Europe, Japan, South Korea, and other overseas installations is not figured in either the DoD estimates or NCID's offshore spending calculations. The committee might well inquire of Mr. Tower his views concerning the burgeoning amounts of U. S. tax dollars being spent in other nations on defense materials and its adverse impact on American subcontractors, our trade imbalance, and on the size of our Federal budget deficit.

A major factor that has spurred the growth of offshore defense procurement in recent years has been the "reciprocal" defense procurement arrangements negotiated by DoD with some 19 foreign defense establishments through the Memoranda of Understanding (MOU) mechanism. Most MOUs are with NATO countries, with a few notable exceptions. Such procurement agreements are not subject to Senate approval. These little-known MOUs are negotiated for a period of years, providing offshore bidders the same access to our defense market as U. S. firms. U. S. bidders are presumably entitled to the same reciprocity in the defense procurement of the foreign party to the MOU -- the so-called "two-way street" referred to earlier in my statement. Both parties to the MOU usually agree to waive their "buy national" laws -- various Buy American laws in the case of the U. S. -- in determining the low bidder in individual procurements. Most MOUs also delegate to the other nation the responsibility of assuring the quality control over production of the defense item involved in each contract. In the case of a U. S. bidder, the statutory Buy American differentials provided by Congress to assure fair competition with offshore manufacturers are waived, in advance, by the MOU on a blanket basis. Little or no consideration is given by DoD negotiators as to the impact that such indiscriminate offshore sourcing of any particular item of defense hardware might have on the viability of that portion of our defense industrial base.

Under the MOU arrangements, the low bid price normally takes precedence over all other considerations. The arrangements are billed as a way to promote the application of NATO's RSI policy (Rationalization, Standardization, and Interoperability). The original concept of RSI, in our judgment, was a logical extension of NATO's cooperative defense principles. However, a realistic appraisal of the level of actual achievement of the RSI objective must conclude that it has failed. The larger NATO countries have developed their own major weapons -- planes, tanks, artillery, support vehicles, combat vessels -- without regard to RSI requirements. They are competing among themselves and with U. S. military hardware producers in the lucrative global defense market. Less strict export control laws in those countries assures defense sales to third-world nations where U. S. arms competitors are excluded, in some cases. Meanwhile, many smaller U. S. bidders seeking to penetrate the offshore defense markets of MOU signatory countries have been systematically excluded, even when their prices are competitive. In effect, they are told by the foreign defense official: "We cannot accept your bid for this defense item because we must maintain our own defense industrial base."

As you know, Mr. Chairman, the new NATO Conventional Armaments Planning System (CAPS) is now under a two-year test period to see how it may assist in the coordination of NATO requirements. Former Senator Mack Mattingly, NATO's Assistant Secretary General for Defense Support, commented last October on the state of NATO's RSI policies in the context of conventional defense initiatives. He said:

> "When I look at the standardization problems we still face in NATO forces, I see little evidence that arms cooperation has made much of an impact. We lurch from one cooperative project to another, reinventing the wheel each time. Program lead times in such projects are growing ever longer. This reinforces today's situation in which dynamic Western technology remains stuck in laboratories."

Mattingly went on to point out that standardization is the key requirement today, not interoperability. Progress in conventional arms planning, modernization, and deployment, of course, has taken on new and more dramatic significance because of the recent U. S. - Soviet nuclear arms reduction agreement. It would be important for the committee to obtain detailed statements from Mr. Tower about his views concerning the MOU process, the future of NATO's application of meaningful RSI programs (particularly as they affect conventional battlefield weaponry), and the adverse impact that country-by-country blanket waivers of Buy American statutes is having on the U. S. defense subcontractor base.

The National Council is not advocating a defense procurement policy that would require each and every part or component of every U. S. weapons system be manufactured within our own borders. Certainly, it is to our advantage and that of our allies to achieve a reasonable level of cooperative effort in defense procurement, as well as in research and development. We must achieve the proper balance between the need to preserve our domestic technological and manufacturing capability and to assure reliable sources for the critical raw materials essential for weapons production and the corresponding needs of other nations with whom we share mutual defense responsibilities. We must maintain the necessary levels of skilled manpower required for defense production, constantly upgrading such skills as new technology is developed. Finally, we must always assure adequate U. S. defense production capability for the militarily-critical parts and components that are incorporated in the major weapons systems on which we must rely for our ultimate national security in time of emergency. —It is the primary objective of our long-range U. S. defense policy, in our judgement, and must be assigned the highest priority by our incoming Secretary of Defense. Vastly increased budgetary support by DoD will be required to achieve the necessary upgrading of U. S. manufacturing technology and industrial modernization so vital to our national security.

Mr. Chairman, our studies of present DoD procurement policies, the MOU offshore sourcing arrangements, and the erosion of important segments of our defense industrial base convinces us that the pendulum has swung to a dangerous extreme in favor of foreign defense production sources. As indicated earlier in my testimony, NCID is not alone in reaching these conclusions. The U. S. defense establishment has become too dependent on offshore suppliers for a growing number of critical weapons systems parts and components. Many more of such critical dependencies have yet to be identified because of inadequate DoD foreign record-keeping. Some of these offshore dependencies may already be creating alarming defense vulnerabilities in a number of critical areas. For example, sole or endangered sources of certain high-purity silicon used in chips for U. S. missile guidance systems; of rayon fiber for resin-impregnated cloth used in producing rocket nozzles and other parts of our space shuttle and in missile systems; in certain types of precision optical equipment; in gallium-arsenide computer chips and integrated circuit boards; in certain types of industrial fasteners; in some forged steel crankshafts and other components of combat naval vessels and battle tanks, as well as a variety of other essential parts and components of U. S. weapons systems.

Mr. Chairman, operation of the MOU "reciprocal" defense procurement process is particularly alarming. While some large U. S. prime contractors may benefit from these arrangements with foreign governments, it is the smaller primes and lower-level subcontractors so vital to our defense industrial base that have suffered grave economic hardships during the past decade. They are the forgotten links in the U. S. defense industrial chain. They are the type of small business firms who make up much of NCID's constituency. As you may know, our organization filed suit last year in Federal district court to challenge the legality of the MOU system and DoD's blanket waivers of the Buy American Act. That suit is presently awaiting further action by the court.

Lower-tier U. S. defense subcontractors, for a variety of reasons, have found it increasingly difficult to compete against offshore suppliers for U. S.-funded defense work under the arbitrary and unfair rules established under the MOU game. Untold numbers of small firms have gone bankrupt. Others no longer bother to submit bids against offshore competitors for defense subcontracts because they know by bitter experience that the deck has been stacked against them by our own Defense Department! This is a needless loss of valuable defense production experience, technical know-how, and skilled manpower, as well as a record of reliable performance spanning three wartime production cycles over the past 50 years. Little attention is directed at the crucial importance of lower-tier defense subcontractors, either in the Pentagon or in the Congress. Representatives of these firms are not invited to serve on defense production advisory panels, nor are their views solicited by defense officials in the formulation of procurement policies affecting them. Few can afford Washington representation, defense contract consulting assistance, or have political action committees (PACs). I speak for them here today and respectfully urge that this committee, as well as DoD officials from the Secretary on down the ladder, recognize the vital contributions being made by these smaller suppliers to the overall national defense production apparatus. Unfortunately, we have seen no recognition of the problems of this group in public statements by Mr. Tower, let alone any commitment to take the remedial administrative actions that are required to address them adequately. Again, Mr. Chairman, we hope that this committee would solicit the views of Mr. Tower about what actions he would take to assure fair treatment of the smaller U. S. defense suppliers in their efforts to obtain the work for which they are qualified.

In conclusion, Mr. Chairman, the National Council believes that John Tower lacks the essential qualifications so desperately needed at this critical period of our Nation's history. His defense policy priorities, in our judgement, ignore what we consider to be the important long-range needs of our national defense in the 1990s. It is not enough for any Secretary of Defense to be for a "strong" national defense or to have a long public record of advocacy for higher defense budgets. Perhaps it is true, as some say, "that John Tower has never seen a weapons system he didn't like." But money alone cannot solve the basic ills of our defense establishment. Current budget restraints underscore that fact.

In my statement, I have identified the major priorities designed to restore American industrial, scientific, and technological leadership which are the foundation for the development of the necessary mix of military weaponry -- reliable, workable, affordable, and mission-oriented -- that is needed to guarantee our national security and world stability. We have seen little understanding of the importance of these priorities in John Tower's record or in his testimony before this committee.

I have suggested a number of important questions that we feel must be addressed by Mr. Tower before the committee makes its final decision on his nomination. All of these questions seek to ascertain precisely what views he might have on issues involving the revitalization of the U. S. defense defense industrial base and are certainly most relevant to the future of our national defense in the coming decade. This committee and the American people deserve to know what priority he might assign these defense-critical issues.

Mr. Chairman, no first-rate world power today can sustain itself without a strong, innovative industrial manufacturing capability. That truism applies to both the commercial and defense-related sectors of our national economy. The de-industrialization of America would rob us of effective control over our economic and political destiny. It would cripple our ability to defend ourselves against foreign aggression and force our Nation into a secondary role in the conduct of world affairs. America's freedom and independence of actions in our own national self-interest must never be subcontracted to other nations on whom we have become dependent for the weapons vital for our own defense in time of emergency.

Thank you for the opportunity to appear here and to present these views.

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NATIONAL COUNCIL
FOR INDUSTRIAL
DEFENSE

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...TO STRENGTHEN NATIONAL DEFENSE

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C O P Y

November 22, 1988

Honorable George W. Bush
President-Elect of the United States
Executive Office Building
Washington, D. C. 20501

Dear Mr. Bush:

The National Council for Industrial Defense (NCID) is a nonprofit, nonpartisan national organization, working to strengthen our national defense by supporting efforts to modernize America's industrial base. Founded in 1985, our membership includes small defense contractors and subcontractors, their executives and employees, members of AFL-CIO unions engaged in defense production, associations, retired military and defense officials, and other concerned citizens.

I am writing to express our serious concerns over recent press reports that you are considering the appointment of Mr. John G. Tower, former Senator from Texas, as Secretary of Defense in your cabinet. Mr. Tower is, in our judgment, unqualified for such high office for a number of vitally important reasons that are summarized below:

1. Mr. Tower's record as chairman of the Senate Armed Services Committee revealed little concern over wasteful Pentagon procurement policies and practices later identified by the work of the Packard Commission and in its reform recommendations.

2. Mr. Tower vigorously supported the short-sighted DoD acquisition policies for foreign sourcing of many critical components of U. S. weapons systems. Such policies have resulted in the dangerous erosion of our U. S. defense industrial base, as has been pointed out during the past two years in NCID testimony to Congressional committees. Such foreign dependency and defense vulnerability because of the erosion of our manufacturing capability (particularly among second and third tier subcontractors) has also been documented in the July, 1988 report of Deputy Defense Secretary Robert B. Costello ("Bolstering Defense Industrial Competitiveness"). Additional confirmation has come from recent findings of the Defense Science Board, in the report of the Air Force Association ("Lifeline in Danger"), and in studies by other defense authorities.

   His backing of DoD's runaway foreign sourcing has robbed our country of important technological advantages, driven many thousands of smaller American defense contractors and subcontractors out of the defense business, and has cost additional thousands of skilled U. S. defense workers their jobs. As you may know, NCID is currently challenging DoD offshore procurement policies that discriminate against U. S. bidders in Federal district court.

3. Mr. Tower's "revolving-door" activities after leaving the Senate raise additional concerns. His representation of foreign defense interests, as well as a number of major U. S. defense prime contractors, are matters of public record. We seriously question the ethical judgments he has exercised and urge that you carefully examine how his work in behalf of foreign interests and major defense contractors are compatible with the awesome U. S. national security responsibilities he would exercise as Secretary of Defense.

4. Widespread concerns that have been expressed over Mr. Tower's personal behavior raise additional questions about his integrity and ethical judgments. His appointment as Defense Secretary would be contrary to your pledges during the recent Presidential campaign about maintaining the highest moral and ethical standards in your administration.

It is our strong view that Mr. Tower's appointment as Defense Secretary would send the wrong signal to large defense prime contractors about your own support of meaningful defense procurment reform, so vitally necessary in these days of high Federal deficits and shrinking appropriations. Moreover, his appointment would likewise signal the global multinational defense establishment that the U. S. defense procurement door is open wide for another four years, thus causing an even deeper erosion of the U. S. defense industrial base.

We feel that the Secretary of Defense should meet a number of basic qualifications -- in addition to just being for a "strong" defense and for promoting increased defense budgets. First, he must be an efficient and experienced administrator, with a hands-on track record of managing large corporate or governmental bureaucracies. He must command the attention and respect of the Pentagon establishment in order to win their loyalty and support. He must be an experienced consensus builder in many diverse areas of defense activities. He must be an active supporter of genuine procurement reform and a vigorous advocate of technological and industrial innovation. He must be a successful promoter of policies to significantly improve weapons research and development efforts. He must understand and deal with the root causes of the continued decay of U. S. industrial capability and their disastrous impact on our national security, supporting Congressional intiatives in this area, as well as the important recommendations of the Costello report and by the Defense Science Board. Finally, the Secretary of Defense should possess the highest personal integrity, loyalty, and unquestioned ethical standards and be able to deal effectively with the Congress.

It is our belief that Mr. Tower fails to measure up to these basic qualifications and that his appointment as Secretary of Defense would be contrary to our national interest. Many other name candidates for Secretary have been mentioned, with proven administrative experience, leadership capability, industrial and technological know-how, and unquestioned personal and professional integrity. We respectfully urge that you carefully consider such other potential appointees for this high office before making your important decision.

Sincerely,

William G. Phillips

William G. Phillips
President

WGP/c

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BACKGROUND OF THE NATIONAL COUNCIL

The *NATIONAL COUNCIL FOR INDUSTRIAL DEFENSE, INC.* was founded in 1986 as the "National Council to Preserve the U.S. Defense Industrial Base, Inc.". It was organized by a group of former Members of Congress, retired military officers, former government officials, business and labor executives. It is a non-partisan, non-profit corporation with headquarters in Washington, D.C. Biographical data on officers, the board of directors, organizational leaders and advisory committee members is attached.

Major concerns leading to the organization of the *NATIONAL COUNCIL* include:

- The rapidly-aging, shrinking American industrial manufacturing base and the human, economic and defense policy consequences of "de-industrialization";
- The growing American dependence on offshore sources for key manufactured products, parts and components vital to both the defense and commercial sectors of our economy – with corresponding loss of jobs in America's industries, record international trade deficits, and overall vulnerability.
- The procurement policies of the Department of Defense that increasingly tilt towards offshore manufacturers for American weapons system components and for critical and strategic materials;
- The loss of skilled job opportunities essential for American manufacturing viability and industrial competitiveness in a world of rapid technological change; and
- The danger of global nuclear conflict because of the weakness and vulnerability of America's defense industrial base to sustain a conventional defense in a national emergency mobilization situation.

The *NATIONAL COUNCIL* seeks to promote a better public awareness and understanding of these related industrial base issues. It focuses on public and private initiatives to develop a broad consensus for economic, defense procurement and industrial modernization policies to strengthen American manufacturing capability and to assure an adequate supply of skilled manpower. Of special concern are the needs of smaller companies who have become particularly vulnerable to government-subsidized imports and overseas sources of defense products resulting from Pentagon "buy-offshore" procurement policies.

Activities of the *NATIONAL COUNCIL* are entirely supported by annual membership dues of its membership – small and mid-size corporations, labor unions and individuals. Its national membership now exceeds 5.2 million Americans who belong to the various associations, unions or who are employed by member companies.

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OFFICERS AND DIRECTORS

WILLIAM G. PHILLIPS (President & Chairman, Board of Directors) served in U.S. Army intelligence during World War II and for over twenty years in Congressional staff positions involving defense, intelligence, and foreign operations. He is presently a legislative consultant on shipbuilding industrial base issues. Prior to his election as President in 1988, he served as the NATIONAL COUNCIL'S Vice President for Government Relations and as a Board member.

PAUL J. BURNSKY (Director) is President of the Metal Trades Department, AFL-CIO. Its twenty-one affiliated unions represent skilled workers in private shipyards, U.S. Naval shipyards, NASA contractors, Energy Department nuclear weapons material producers, and other defense related industries. He served in the Navy during World War II and also served as an instructor in the Naval Aviation Training Program. He also holds airframe & power plant mechanic's certificates and is a former official of the International Association of Machinists and Aerospace Workers, AFL-CIO.

DONALD R. FOWLER (Director) is President of F & F Associates, Inc., a diversified professional consulting firm for national security emergency preparedness, production strategies and industrial modernization and competitiveness. He is a retired Air Force Lt. Colonel. He most recently served for five years in the Pentagon on the Organization of the Joint Chiefs of Staff and Headquarters, Air Force, specializing in the North American defense industrial base policies and procedures, industrial planning for peacetime and wartime, and the Defense Production Act.

WILLIAM C. McCAMANT (Director) is a former chief executive of several national trade associations, including the National Association of Wholesaler Distributors. He previously served in the Navy Department and other top level governmental positions. He also served as the executive director of President Reagan's Citation Program for Private Sector Initiatives.

RAYMOND RAMSAY (Director) is President of the management consulting firm Politech Services International, and has broad national and international experience in the maritime and automotive industries, including government service with the Department of Defense (Navy) and the Department of Commerce (NOAA). Prior to retirement he held the position of Director, Office of Maritime Affairs and completed an assignment as special assistant to the Chairman, House Armed Services Subcommittee on Seapower, Strategic and Critical Materials.

JEROME M. ZEIFMAN (Secretary-Treasurer & General Counsel) served as a Naval officer during World War II. He has served as Chief of Staff and General Counsel of the Judiciary Committee of the U.S. House of Representatives. After his retirement from the Committee, he was a professor of law at Santa Clara Univeristy Law School. He is now in private practice, with offices in Washington, D.C. and Connecticut.

Chairman **Nunn**. Thank your very much, Mr. Phillips. We appreciate your views here today, and also the testimony you gave before Senator Bingaman's subcommittee last year. We have posed a number of questions on these issues that you have raised and we will be asking further questions in just a few minutes.

Mr. Weyrich, we are pleased to have you with us this morning. We would ask you to take your seat up here, and we will be pleased to have your testimony.

STATEMENT OF PAUL WEYRICH, NATIONAL CHAIRMAN, COALITIONS FOR AMERICA

Mr. **Weyrich**. Thank you very much, Mr. Chairman, distinguished members of this committee. I appreciate very much this opportunity to testify on the highly important matter of the nomination of John Tower as Secretary of Defense in this new administration.

I am here as the national chairman of Coalitions for America, an organization that brings together leaders of more than 300 national activist groups, many of them with headquarters in Washington, although I am speaking only for my own organization and not for any of these other groups.

My appearance here today is very difficult for we didn't support George Bush for the Republican nomination. I was not committed to any of the Republican candidates. But I strongly supported George Bush for the November election and campaigned very strongly for him, and I very much want him to succeed, to be an outstanding President.

For that reason, I am very reluctant to oppose him publicly on policy matters, and therefore my appearance here today is with an extremely heavy heart. Nonetheless, I am here because I believe that the issues involved are of such gravity and importance to the Nation that my conscience would not permit me to do otherwise.

Indeed, the selection of the Secretary of Defense is a serious matter at any time. At present it is even more serious and important than usual and the reason is because the new Secretary will face a new, daunting challenge as we prepare to enter the decade of the 1990s.

DEFENSE BUDGET CHALLENGE

By most estimates the defense budget is underfunded over the next 5 years by somewhere between $250 billion and $450 billion. If this underfunding is handled in the usual manner, by putting off key decisions on procurement programs until the worst of the crisis is upon us and having no option but to make major cuts in the size of our Armed Forces, their readiness and their training, we will end up with dangerously weak forces. The security of the country will be threatened, especially those aspects of our security that depend on strong, militarily effective conventional forces.

It is therefore of critical importance that the new Secretary not do business as usual. We must not follow the usual pattern in dealing with what will be a virtual implosion of the defense budget. Instead, the Secretary will need to lead the way for genuine military reform, not the kind of reform that leads to disarmament, but the kind of military reform that means necessary change.

MILITARY REFORM

The first reform, which must occur quickly, is to protect real defense strength—the size of our forces, their readiness and their state of training. This will require terminating a substantial number of procurement programs, and doing so in 1989. Because of the slow spend-out vote of the major procurement programs, it will be too late by 1990 or 1991 to resolve the budget crisis by reductions in procurement. If the new Secretary postpones major actions until then, the blow will inevitably fall on force structure, training, and readiness.

Further reforms must follow. The coming defense budget implosion is not unique, although its magnitude may be. It represents a long-established pattern—a cycle wherein the defense budget increases are used primarily for a procurement buying spree, running up costs which subsequent budgets cannot support. That cycle must be broken, which will mean major changes in our thinking about defense spending.

Both the research and development and our procurement processes need reform in order to develop and purchase weapons at prices that will permit us to afford adequate numbers. Such reforms must not be simply reorganizations; changing organizational wiring diagrams will not change fundamental systematic behavior.

Reforms are equally needed in the areas that relate directly to military effectiveness, the ability of our Armed Forces to win in combat. These include changes in military doctrine, the way the services' personnel system is operated, in officer education and promotion, and in the way that we define quality in weapons.

In my view, the principal question this committee and the Senate should consider in its deliberation on Mr. Tower's nomination is: Will he be likely, if confirmed as Secretary of Defense, to undertake such military reforms?

I have grave doubts that he will.

MORAL CHARACTER

My concern stems, first, from questions regarding the nominee's moral character. I strongly welcomed President-elect Bush's statements during the campaign that he would, as President, bring people of strong moral character into Government. Last week, as President, in a talk with the White House staff, Mr. Bush was reported as saying that the guidelines for his administration should be "pride, honesty, spirit of idealism when it comes to public service, knowing that our actions must always be of the highest integrity."

Nowhere is this more necessary than in the Department of Defense. Disposing as it does of the largest single budget in the country, the Defense Department comes under enormous pressures to take actions that are morally questionable. Pressures come from legislators, from corporations engaged in the defense business, individuals with personal relationships to Defense Department officials—pressures to take actions that result more in private gain than in a stronger national defense are very intense.

A Secretary of Defense must provide strong leadership in the fight against these pressures. He must have a strong moral character in order to do so, a character that is widely recognized.

I question whether Mr. Tower can claim such character. My concern stems from three aspects of his past behavior. The first is his personal life. The old saying that "Where there is smoke, there is fire," must give one pause in this case. The smoke surrounding the nominees' personal life seems rather intense. I have made enough personal observations of this man, here in Washington, to have serious reservations about his moral character.

By the way, I might add that were he nominated for some other position in this administration, that is, like Secretary of Transportation, I would not be here. But I think the Defense Department is a different situation.

LETTERS OF OPPOSITION

In addition, I have been informed that the transition team of the new administration received hundreds of letters opposing Mr. Tower's nomination. My understanding, though I have not personally seen the letters, is that a number of them are from former members of Congress, and some of them contain specific allegations of moral impropriety on the part of Mr. Tower, impropriety which, in the view of those writing the letters, makes him unfit for this high position.

My information is that these letters, which are here in Washington, were not brought to the attention of the President-elect, nor of senior officials in the transition office of the incoming administration when Mr. Tower was under consideration for the nomination. It is possible—I do not know—that they also were not provided to the Federal Bureau of Investigation during its background inquiry on Mr. Tower before his nomination was announced.

I hope that this committee obtains and reviews these letters and makes them available to Members of the Senate when they consider this nomination. Certainly it seems to me that if my information proves correct, the charges should be investigated by the committee.

It is particularly important in the case of the Office of Secretary of Defense that any such charges be made public and, if they prove inaccurate, answered. If information damaging to Mr. Tower is possessed by the people who wrote these letters, then there is at least a serious chance that it would also be possessed by foreign governments. Obviously, such information, were Mr. Tower to be confirmed, could be used to bring pressure on the U.S. Government and on him personally.

I do not intend to suggest that Mr. Tower would submit to such pressure. But the potential for national embarrassment, possibly at a critical juncture in world affairs, could be real and serious. Such a danger cannot, I think, be dismissed by this committee.

Mr. Chairman, while some individuals are able to separate their private and their public characters and to act honorably in public matters despite questionable private behavior, the opposite is more often the case. Commonly, it is unrealistic to expect moral behavior in matters of public trust from somebody who does not exhibit such behavior in his personal life. Private morals have public effects.

CONFLICT OF INTEREST

Second, I believe Mr. Tower's relationship with a number of defense contractors also raises questions of a moral nature. According to media reports, after he left the Senate, Mr. Tower received large retainers from a number of such companies. The moral question is this: Were these retainers paid for services rendered at the time or were they more for services rendered previously, when Mr. Tower was chairman of the Armed Services Committee or served in the Senate? Were they possibly paid in the hopes of services to be rendered in the future when and if Mr. Tower obtained a high position in the Defense Department.

It is certainly no secret that he has long sought this position, specifically the position of Secretary of Defense. It is no secret to anyone with even a slight acquaintance with our defense decision process that favors are commonly exchanged, favors relating to the award of multi-billion dollar contracts. And such favors are often in the form of jobs with or retainers from major defense companies.

I hope the committee will inquire closely into whether there was a reasonable relationship between the retainers Mr. Tower received and the services he was rendering at the time he received them. If such a correlation is missing, then I would say that there is at least circumstantial evidence to suggest that the fees were morally improper; that they related to services given when Mr. Tower chaired the committee or services anticipated if and when he became Secretary of Defense. In either of the latter cases, I think confirmation of Mr. Tower should be called into question.

The question of the nominee's moral character is directly relevant to the question of whether he will, if confirmed, be a reforming Secretary of Defense. Without moral courage, it is unlikely that he will be able to take on the vast array of entrenched interests that benefit from business as usual.

This is not the only aspect of the nominee that bears on the question of whether or not he will lead the effort for necessary reforms. Mr. Tower already has a track record on this question, and it is not an encouraging one.

MILITARY REFORM

As chairman of this committee, Tower was unremittingly hostile to military reform. He led the effort to front load the defense budget in the Reagan administration's first term, something, by the way, which I supported. He worked then to suppress any consideration of alternatives or recognition that the money was being spent in ways that might ultimately weaken rather than strengthen our defenses.

One example of his actions was his effort to make certain that the warnings sounded by Defense Department budget analyst Franklin Spinney received as little attention as possible. When Mr. Tower discovered that the Budget Committee had asked Mr. Spinney to testify, he asked that the hearing be held jointly with the

Armed Services Committee under its jurisdiction. The Budget Committee then agreed to that.

Mr. Tower then tried to exclude the media. When that failed, he tried to exclude the television networks. And when that failed, he scheduled hearings at a time when he thought it would receive the least possible attention.

Despite these efforts, Mr. Spinney's warnings in fact got substantial attention. However, they did not get significant attention from this committee under Senator Tower's chairmanship. Since they have proven rather accurate, in my view, I think that is to be regretted.

In view of Mr. Tower's record as an opponent of meaningful reform, I would hope that the committee would, at least, ask him about his positions on some key questions relating to reform. The questions should include:

WEAPONS TESTING

Will he replace John Krings as Director of the Office of Operational Testing and Evaluation?

Congress established this office in 1983 for the express purpose of ensuring tough and realistic operational testing and honest reporting of operational testing results. It did so because such testing, when honest and thorough, is the best means of ensuring that the weapons we provide our soldiers will actually work in combat. That is a moral issue, as far as I am concerned.

As a recent GAO report indicates—*Weapons Testing: Quality of DOD Operational Testing and Reporting* is the name of the report—this report makes it abundantly clear Mr. Krings has not fulfilled the responsibilities of his office. Under his directorship testing has not been thorough, and results often have not been honestly reported.

So, the question is will Mr. Tower, if confirmed as Secretary, replace Mr. Krings with somebody who will fulfill the intent of Congress with respect to operational testing?

SDI

In my view, one of the most important military reforms is implementation of the Strategic Defense Initiative. The purpose of military reform, that is, real reform, is to strengthen our national defense, and this is what, in my opinion, SDI will do. Mr. Tower, however, has said, and he has said since he was nominated, that he views SDI as a bargaining chip.

President Bush has repeatedly expressed his support for SDI. I am certain Mr. Tower will formally accept the President's position. But a Secretary of Defense has substantial ability to work to reverse a President's position with which he disagrees.

As someone who does not view SDI as a bargaining chip, I believe it is critically important that we have as Secretary of Defense someone who generally believes in the program. Will Mr. Tower, if confirmed as Secretary, commit himself to concrete steps to move SDI forward and offer a personal commitment not to trade it away in any kind of negotiations?

REVOLVING DOOR POLICY

A major problem of our current Defense Department procurement is the revolving door through which people working in government on procurement issues then go to work for the defense companies that they were overseeing. Indeed, it can be said that Mr. Tower himself went through that revolving door.

If confirmed as Secretary, what steps will Mr. Tower take to close the revolving door?

COMPETITIVE PROCUREMENT

Currently less than 10 percent of defense procurement is genuinely competitive; that is, with at least two contractors making the article to be procured, and regular, periodic rebidding, where the lowest bidder gets the lion's share of the contract. Cases where such genuine competition has been used have shown substantial savings. Not surprisingly, the free market works in the defense business as it does in other businesses.

If confirmed as Secretary, will Mr. Tower set a specific goal for competitive procurement, a goal which ensures that by a certain date a majority of defense procurement will be competitive?

Similarly, competition can be applied to the process of weapons development with beneficial results. In the 1970s we held two design competitions with prototypes and fly-offs of new fighter aircraft—the A-9/A-10 competition and the F-16 and F-17 competition. As a result of the competition, we got something unusual, aircraft that perform better and cost less than their predecessors.

If confirmed as Secretary, will Mr. Tower make competitive prototyping, with actual fly-offs and shoot-offs, the norm in the development of new weapons?

Mr. Chairman, as I noted, Mr. Tower does not come to the question of this kind of reform I am talking about without a record. It is a record, in my opinion, of opposition. And unless we have a Secretary of Defense who will lead a broad and genuine reform movement at the Pentagon, the coming defense budget implosion will inevitably leave us with seriously weakened defenses.

Indeed no reforms completely eliminate the negative effects of the coming budgetary situation. They are an unavoidable legacy not of the increases in defense spending, which were needed, but of the way at least some of the money was spent.

However, there is a big difference in terms of military strength between where we will be if we continue with business as usual and where we will be if we meet the budget crisis with reform.

Will Mr. Tower be a reforming Secretary? Can the leopard change his spots? Is he willing to do so?

The questions I have suggested here can help the committee assess whether or not Mr. Tower will change. I think they will provide more useful indicators than a simple request for an assurance that Mr. Tower will undertake needed reforms.

But even if they receive satisfactory answers, I hope the committee will exercise great caution in confirming Mr. Tower. Words in Washington, as you know, come easily. Past deeds are usually a more accurate forecaster of future deeds. Mr. Tower's past deeds can only raise, in my opinion, deep concerns as to his ability and willingness to execute the kind of reforms that I am talking about.

I thank the committee very much for this opportunity to testify.

[The prepared statement of Mr. Weyrich follows:]

STATEMENT OF MR. PAUL M. WEYRICH, NATIONAL CHAIRMAN, COALITIONS FOR AMERICA

Mr. Chairman and distinguished Members of the Committee:

Thank you very much for this opportunity to testify before you here today on a highly important matter: the nomination of the Honorable John Tower of Texas as Secretary of Defense in the new Administration.

I am here as National Chairman of Coalitions for America, an organization that brings together leaders of more than 300 national activist groups, many of them with headquarters in Washington, to work together on public policy matters affecting the family, social issues, economics, national defense, international relations and legal affairs.

My appearance here today is very difficult for me. While I did not support George Bush for the Republican presidential nomination last year, I backed him strongly in the November election and I very much want him to succeed — to be outstandingly successful — as president. For that reason, I am most reluctant to oppose him publicly on policy matters and, therefore, my appearance here today is with an extremely heavy heart. Nevertheless, I am here because I believe the issues involved are of such gravity and importance to the nation that my conscience would not permit me to do otherwise.

Indeed, the selection of a Secretary of Defense is a serious matter at any time. At present, it is even more serious and important than usual. The reason is that the new Secretary will face a daunting challenge as we prepare to enter the decade of the 1990s.

By most estimates, the defense budget is underfunded over the next five years by somewhere between $250 billion and $450 billion. If this underfunding is handled in the usual manner — by putting off key decisions on procurement programs until the worst of the crisis is upon us, then having no option but to make major cuts in the size of our armed forces, their readiness and their training — we will end up with dangerously weak forces. The security of the country will be threatened, especially those aspects of our security that depend on strong, militarily effective conventional forces.

It is, therefore, of critical importance that the new Secretary not do "business as usual." We must not follow the usual pattern in dealing with what will be a virtual implosion of the defense budget. Instead, we need a Secretary who will lead the way to genuine military reforms.

The first reform, which must occur quickly, is to protect real defense strength — the size of our forces, their readiness and their state of training. This will require terminating a substantial number of procurement programs, and doing so in 1989. Because of the slow spend-out rates of major procurement programs, it will be too late by 1990 or 1991 to resolve the budget crisis by reductions in procurement. If the new Secretary postpones major actions until then, the blow inevitably will fall on force structure, training, and readiness.

Further reforms must follow. The coming defense budget implosion is not unique, although its magnitude may be. It represents a long-established pattern — a cycle, wherein defense budget increases are used principally for a procurement buying spree, running up costs which subsequent budgets cannot support. That cycle must be broken, which will mean major changes in our thinking about defense spending.

Both the research and development (R&D) and procurement processes need reform in order to develop and purchase weapons at prices that will permit us to afford adequate numbers. Such reforms must not be simply reorganizations; changing organizational wiring diagrams will not change fundamental systemic behavior.

Reforms are equally needed in areas that relate directly to military effectiveness; to the ability of our armed forces to win in combat. These include changes in military doctrine, in the way the services' personnel systems operate, in officer education and promotion, and in the way we define quality in weapons.

In my view, the principal question this Committee and the Senate should consider in its deliberation on Mr. Tower's nomination is: Will he be likely, if confirmed as Secretary of Defense, to undertake such military reforms?

I have grave doubts that he will.

My concern stems, first, from questions regarding the nominee's moral character. I strongly welcomed President-elect Bush's statements during the campaign that he would, as President, bring people of strong moral character into government. Last week, in a talk to the White House staff, Mr. Bush was reported as saying that the guidelines for his Administration should be "pride, honesty, spirit of idealism when it comes to public service, knowing that our actions must always be of the highest integrity."

Nowhere is this more necessary than in the Department of Defense. Disposing as it does of the largest single budget in the country, the Defense Department comes under enormous pressures to take actions that are morally questionable. Pressures come from legislators, corporations engaged in the defense business, and individuals with personal relationships to Defense Department officials — pressures to take actions that result more in private gain than in a stronger national defense are intense.

A Secretary of Defense must provide strong leadership in the fight against these pressures. He must have a strong moral character in order to do so, a character that is widely recognized.

I question whether Mr. Tower can claim such character. My concern stems from three aspects of his past behavior. The first is his personal life. The old saying, "Where there is smoke, there is fire," must give one pause in this case. The smoke surrounding the nominee's personal life seems rather intense. I have made enough personal observations of this man, here in Washington, to have serious reservations about his moral character.

In addition, I have been informed that the transition team of the new Administration received hundreds of letters opposing Mr. Tower's nomination. My understanding — I have not personally seen the letters — is that a number of them are from former members of Congress, and that some of them contain specific allegations of moral impropriety on the part of Mr. Tower; impropriety which, in the view of those writing the letters, makes him unfit for this high position.

My information is that these letters, which are here in Washington, were not brought to the attention of the President-elect nor of senior officials in the Transition Office or the incoming Administration when Mr. Tower was under consideration for the nomination. It is possible — I do not know — that they also were not provided to the Federal Bureau of Investigation during its background inquiry of Mr. Tower before his nomination was announced.

Mr. Chairman, I hope this Committee obtains and reviews these letters, and makes them available to the Members of the Senate when they consider this nomination. Certainly it seems to me that, if my information proves correct, the charges made in them should be investigated by this Committee.

It is particularly important in the case of the office of Secretary of Defense that any such charges be made public and, if they prove inaccurate, answered. If information damaging to Mr. Tower is possessed by the people who wrote these letters, there is at least a serious chance that it is also possessed by foreign governments. Obviously, such information, were Mr. Tower to be confirmed, could be used to bring pressure on the United States government and on him personally.

I do not intend to suggest Mr. Tower would submit to such pressure. But the potential for national embarrassment, possibly at a critical juncture in world affairs, would be real and serious. Such a danger cannot, I think, be dismissed by this Committee.

Mr. Chairman, while some individuals are able to separate their private and their public characters and to act honorably in public matters despite questionable private behavior, the opposite is more often true. Commonly, it is unrealistic to expect moral behavior in matters of public trust from someone who does not exhibit such behavior in his personal life. Private morals have public effects.

Secondly, I believe Mr. Tower's relationship with a number of defense contractors also raises questions of a moral nature. According to press reports, after he left the Senate, Mr. Tower received large retainers from a number of such companies. The moral question is this: Were these retainers paid for services rendered at the time, or were they more for services rendered previously, when Mr. Tower was in the Senate? Or, were they possibly paid in hopes of services to be rendered in the future, when and if Mr. Tower obtained a high position in the Defense Department?

It is certainly no secret that he has long sought such a position, specifically the position of Secretary of Defense. It is no secret to anyone with even a slight acquaintance with our defense decision process that favors are commonly exchanged, favors relating to the award of multi-billion dollar contracts. Such favors are often in the form of jobs with or retainers from major defense contractors.

I hope the Committee will inquire closely into whether there was a reasonable relationship between the retainers Mr. Tower received and the services he was rendering at the time he received them. If such a correlation is lacking, then I would say there is at least circumstantial evidence to suggest the fees were morally improper; that they related to services given when Mr. Tower chaired this Committee or services anticipated if and when he became Secretary of Defense. In either of the latter cases, I think confirmation of Mr. Tower should be called into question.

The question of the nominee's moral character is directly relevant to the question of whether he will, if confirmed, be a reforming Secretary of Defense. Without moral courage, it is unlikely that he will be able to take on the vast array of entrenched interests that benefit from "business as usual."

But this is not the only aspect of the nominee that bears on the question of whether or not he will lead the effort for vitally necessary reforms. Mr. Tower already has a track record on this question. It is not an encouraging one.

As Chairman of this Committee, Mr. Tower was unremittingly hostile to military reform. He led the effort to "front load" the defense budget in the Reagan Administration's first term. He worked to suppress any consideration of alternatives or recognition that the money was being spent in ways that would ultimately weaken, rather than strengthen, our defenses.

One example of his actions was his effort to make certain the warnings, sounded by Defense Department budget analyst Franklin C. Spinney, received as little attention as possible. When Mr. Tower discovered that the Budget Committee had asked Mr. Spinney to testify, he asked that the hearing be held jointly with the Armed Services Committee, under its jurisdiction. The Budget Committee agreed. Then, Mr. Tower tried to exclude the press. When that failed, he tried to exclude the television networks. When that also failed, he scheduled the hearing at a time he thought it would receive the least possible attention.

Despite these efforts, Mr. Spinney's warnings did get substantial press attention. However, they did not get significant attention from this Committee under Senator Tower's chairmanship. Since they have been proven accurate, that is to be regretted.

In view of Mr. Tower's record as an opponent of reform, I would hope the Committee would, at the least, ask him about his positions on some key questions relating to military reform. Such questions include:

1. Will he replace Mr. John Krings as director of the office of operational testing and evaluation? Congress established this office in 1983 for the express purpose of ensuring tough, realistic operational testing and honest reporting of operational test results. It did so because such testing, when honest and thorough, is the best means of ensuring that the weapons we provide our soldiers will actually work in combat. As a recent GAO report, Weapons Testing: Quality of DOD Operational Testing and Reporting, makes abundantly clear, Mr. Krings has not fulfilled the responsibilities of his office. Under his directorship, testing has not been thorough and results often have not been honestly reported. Will Mr. Tower, if confirmed as Secretary, replace Mr. Krings with someone who will fulfill the intent of Congress with regard to operational testing of weapons?

2. In my view, one of the most important military reforms is implementation of the Strategic Defense Initiative. The purpose of military reform — real reform — is to strengthen our national defense, and this is what SDI will do. Mr. Tower, however, has said that he views SDI as a bargaining chip. President Bush

repeatedly has stated his support for SDI, and I am certain that Mr. Tower will formally accept the President's position. But a Secretary of Defense has substantial ability to work to reverse a President's position with which he disagrees. As someone who does not view SDI as a bargaining chip, I believe it is critically important that we have as Secretary of Defense someone who genuinely believes in the program. Will Mr. Tower, if confirmed as Secretary, commit himself to concrete steps to move SDI forward and offer a personal commitment not to trade it away in negotiations?

3. A major problem of our current defense procurement system is the "revolving door," through which people working in government on procurement issues go to work for the defense companies they were overseeing. Indeed, it can be said that Mr. Tower himself went through that revolving door. If confirmed as Secretary, what steps will he take to close it?

4. Currently, less than 10 percent of defense procurement is genuinely competitive; that is, with at least two contractors making the article to be procured, and regular, periodic rebidding, where the lowest bidder gets the lion's share of the contract. Cases where such genuine competition has been used have shown substantial savings. Not surprisingly, the free market works in the defense business as it does in other businesses. If confirmed as Secretary, will Mr. Tower set a specific goal for competitive procurement, a goal which ensures that by a certain date, a majority of defense procurement will be competitive?

5. Similarly, competition can be applied to the process of weapons development with beneficial results. In the 1970s, we held two design competitions, with prototypes and fly-offs, for new fighter aircraft: the A-9/A-10 competition and the F-16/F-17 competition. As a result of the competition, we got something unusual: aircraft that performed better and cost less than their predecessors. If confirmed as Secretary, will Mr. Tower make competitive prototyping, with actual fly-offs and shoot-offs, the norm in the development of new weapons?

Mr. Chairman, as I noted, Mr. Tower does not come to the question of military reform without a record. It is a record of opposition to reform. Yet unless we have a Secretary of Defense who will lead a broad and genuine reform movement in the Pentagon, the coming defense budget implosion will inevitably leave us with seriously weakened defenses.

Indeed, no reforms can completely eliminate the negative effects of the coming budgetary situation. They are an unavoidable legacy, not of the increases in defense spending, which were needed, but of the way the money was spent. However, there is a great difference, in terms of military strength, between where we will be if we continue with "business as usual" and where we can be if we meet the budgetary crisis with reform.

Will Mr. Tower be a reforming Secretary? Can the leopard change his spots? Is he willing to do so?

The questions I have suggested here can help the Committee assess whether or not Mr. Tower will change. I think they will provide more useful indicators than will a simple request for an assurance that Mr. Tower will undertake needed reforms.

But even if they receive satisfactory answers, I hope the Committee will exercise great caution in confirming Mr. Tower. Words come easily, especially in Washington. Past deeds are usually a more accurate forecaster of future deeds. Mr. Tower's past deeds can only raise deep concerns as to his ability and willingness to be the reforming Secretary our nation's security demands.

I thank the Committee for the opportunity to testify, and I am happy to respond to any questions.

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Chairman NUNN. Thank you, Mr. Weyrich, for being here this morning. I am going to start the questioning, and I will ask the clerk to notify each of us when 6 minutes have expired. The questions can be directed to any one of the three witnesses.

MORAL CHARACTER

Mr. Weyrich, let me start with a question to you. You report in your statement, and I quote: "I have made enough personal observations of this man here in Washington to have serious reservations about his moral character."

During the last several weeks we have had a surplus of rumors concerning the nominee, and a shortage of witnesses with personal testimony and personal knowledge. You state here you do have personal knowledge of, I assume, defects in personal behavior, is that correct?

Mr. WEYRICH. Well, Mr. Chairman, I do not frequent the social activities of Washington. In fact, I avoid them because I find it is good for family life. And so, if I encounter somebody then my presumption has to be that probably there is a problem because, first of all, I do not seek such information on anybody and, second, I do not go to enough activities that I would be inclined to encounter somebody who was occasionally having a problem.

And, over the course of many years, I have encountered the nominee in a condition—lack of sobriety—as well as with women to whom he was not married. I recognize the Senator's wife because, you know, I worked here in the Senate for 11 years. And, you know, I encountered it frequently enough to the point of where it made an impression.

As I say, I do not go looking for this sort of thing. I obviously did not make any records of the times and places, but I did encounter this on a number of occasions.

Chairman NUNN. Mr. Weyrich, as a rule, we normally try to have any kind of testimony regarding personal conduct in executive session until we have had a chance to evaluate it to protect people's reputations.

I would ask you, if you would, at the close of the hearing meet with our staff because we may very well want you to appear this afternoon in executive session if you would be willing to do that.

Mr. Jackson—let me mention one other thing to Mr. Weyrich. I took note of your testimony, which we appreciate your getting to us yesterday. You said that there were letters received by the transition team in the last several weeks concerning personal improprieties. We have not received any such letters at this committee.

I think your suggestion, if it indeed proves to be accurate, is something that would be of interest to the committee. Senator Warner and I have sent a letter to the counsel, to the President, Mr. C. Boyden Gray asking that he provide us with the following information during the period from November 8, 1988, to the date of your response to this letter:

Were any letters concerning serious allegations of impropriety by Senator Tower received by you, the transition team, or the White House?

If so, were such letters provided to the FBI and if not, why not?

And the third question is: If such letters were provided to the FBI, did the FBI examine each allegation in the course of its background investigation? If not, why not?

If such letters were provided to the FBI, was each such allegation raised and addressed in the FBI report made available to us?

In other words, we do not know at this juncture what the FBI has done, whether they received the letters; if they did, if they checked them, then, of course, that was covered. If they did not receive them or did not check them, then that matters. I ask that a copy of this letter and the response from the White House be inserted in the record at this time.

[The letter referred to follows:]

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC, January 30, 1989.

C. BOYDEN GRAY,
Counsel to the President, The White House, Washington, DC.

DEAR MR. GRAY: The Committee has received information alleging that the White House has received letters containing specific allegations of impropriety concerning Senator Tower. Please provide us with the following information:

1. During the period from November 8, 1988 and the date of your response to this letter, were any letters containing serious allegations of impropriety by Senator Tower received by either the Transition Office or the White House?
2. If so, were such letters provided to the FBI? If not, why not?
3. If such letters were provided to the FBI, did the FBI examine each allegation in the course of its background investigation? If not, why not?
4. If such letters were provided to the FBI, was each such allegation raised and addressed in the FBI Report made available to us?

Your cooperation in this matter is appreciated.

Sincerely,

SAM NUNN,
Chairman.

JOHN WARNER,
Ranking Minority Member.

THE WHITE HOUSE,
Washington, DC, February 1, 1989.

Hon. SAM NUNN,
Chairman, Committee on Armed Services, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: This will respond to your January 30, 1989 letter inquiring whether any letters containing specific allegations of impropriety concerning Senator Tower were received by the Transition Office or the White House from November 8, 1988 through January 31, 1989; and, if so, whether such letters were provided to the FBI and investigated and addressed in the FBI Report made available to you.

To the best of my knowledge, no letters containing specific allegations of impropriety concerning Senator Tower were received by either the Transition Office or the White House during the period in question.

During the transition, letters received by the Transition Office relating to possible Presidential appointments were forwarded to the Transition Office of Presidential Personnel for appropriate action. Similarly, letters received in the White House from November 8, 1988 through January 13, 1989 for President-elect Bush on potential nominations were forwarded to the Transition Office of Presidential Personnel. My office has reviewed all letters received by Transition Personnel concerning Senator Tower, and none contain specific allegations of impropriety. Further, my office has reviewed all correspondence received by President-elect Bush's office between January 13–20, 1989 and none contained such allegations. Finally, I am advised that all correspondence received by the White House since January 20, 1989 concerning Presidential appointments would have been routed to the Office of Presidential Personnel for appropriate action, and that Office has no knowledge of any letters containing specific allegations of impropriety concerning Senator Tower.

Please be assured that I requested the FBI to investigate every specific allegation of impropriety concerning Senator Tower brought to my attention, and the results of such investigation were addressed in the FBI report made available to you.

Sincerely,

C. BOYDEN GRAY,
Counsel to the President.

Mr. WEYRICH. Nor do I know, Senator.

Chairman NUNN. You do not know that for yourself?

Mr. WEYRICH. No.

Chairman NUNN. Thank you.

NUNN-WARNER STANDARDS

Mr. Jackson, you mentioned that you believe the nominee did not meet the so-called Nunn-Warner standards. Could you be more specific about that? Which standard that we set forth in that letter do you believe that he does not meet?

Mr. JACKSON. Mr. Chairman, I wish that your letter could have gotten more publicity. It is not easy to get a copy of that letter outside the committee. You sent it to the Presidential candidates, but I summarized from your letter, and if I can find a copy, Mr. Chairman, which I have, I will get more specific.

Here it is.

Mr. Chairman, before responding to that, could I comment on the previous colloquy between you and Mr. Weyrich on that subject?

Chairman NUNN. Yes, you may. I would ask you if you are making observations of a personal nature, we would like for you to discuss them with the staff so we could have those in executive session, but you certainly could comment.

Mr. JACKSON. It is more general in nature.

This business about people not coming forward and not being available, of course, I do not know who you are hearing in private session. You have the power of subpoena, you have the power of putting people under oath.

But generally I suggest to you that you yourselves are witnesses when it comes to the long-time presence of Senator Tower in the Washington community. I just think, you know, the burden should not be put entirely on people on the outside. I worked in the Senate for a number of years, and I have talked to a number of members of our delegation in Geneva who served there in recent years.

Chairman NUNN. Would you suggest we subpoena everyone who worked in Geneva or start subpoenaing people all over the Senate? Because it seems to me if we do that, we are going to have a very hard time getting anyone willing to accept a nomination if we turn it into a criminal investigation.

I think we have to rely on people that are interviewed by the FBI that are known to us, and we have to rely on people who have contacted us. And we have done that on every occasion of an allegation.

Senator COHEN. Mr. Chairman, if we are going to have the allegations—I should address this to Mr. Jackson. You talked to certain individuals, would you be specific and tell us who you talked to?

Mr. **Jackson**. I will be glad to in closed session.

Senator **Cohen**. In the open session. As long as you are really casting aspersions about his character, you at least ought to be required to identify who you are talking to.

Mr. **Jackson**. Senator Cohen, I will be glad to in closed session and, as the chairman is aware——

Chairman **Nunn**. We will ask you to come before the closed session this afternoon also.

Mr. **Jackson**. The point I mean to make is that if someone of Senator Tower's past record and reputation—I find him to be a very interesting man, and I have followed him with great interest over time, Senator Cohen. And I noted very carefully your questioning of him the other day and your comments in his support.

But if someone of that past record and reputation involving major conflicts of interest and allegations of serious personal indiscretions had been nominated to be Secretary of State or CIA director or appointed as the National Security Advisor to the President, I submit such nomination or appointment would have collapsed under its own weight.

I think I will just stop there. I prefer not to get into this issue, but I will be glad to in closed session. It is a very serious matter and one which, as you imply, should be treated with greater care.

Again, I find Senator Tower to be a very interesting man.

Chairman **Nunn**. I would agree with you that it is a serious matter. The committee has treated it seriously. We have spent an enormous amount of time going into every allegation. However, we have not tried to conduct a criminal investigation.

I believe if we turn the nomination process into an investigation and start issuing subpoenas all over town based on nothing but sheer rumors, then you are going to do more damage than you would have otherwise.

But every single allegation that we have looked into, we have had numerous interviews with witnesses that were not interviewed by the FBI, but that were led to out of that report. We have checked further with a number of people that were in the FBI report.

I have also offered every member of the committee an opportunity to read the FBI report. Not all of them have chosen to read it. Some have. So, we are wide open to suggestions.

But I do not believe that we can, in a confirmation process, without probative evidence and a basic prima facie type case made, I do not think we should turn it into subpoena-type testimony before this committee. Otherwise, I think we really do serious damage to the whole process of finding people willing to have their names submitted.

It is a very difficult question of where you draw these lines and how far you take it.

Mr. **Jackson**. Of course, Mr. Chairman. The only relevant question really is, is there a pattern of conduct that would bear upon his service as Secretary of Defense?

Chairman **Nunn**. I would agree with that.

Mr. **Jackson**. His social life could have no bearing.

Chairman **Nunn**. I will agree that that is the essential question, but you have to base it on people who are either willing to come forward and testify privately or publicly. I do not think the committee should base it on rumors, and we have found a number of rumors which have proved to be, as best we can tell, false. In fairness to the nominee, I think that should be said.

NUNN-WARNER QUALIFICATION STANDARDS

Mr. JACKSON. Mr. Chairman, to respond about the Nunn-Warner qualification standards, I specifically had in mind, point number one, nominees must be of unquestionable integrity. Again, I summarized these in my testimony. They must maintain public confidence in the integrity of defense management.

The ones I singled out. Nominees—number 8—must have a strong commitment to public service and they should be seen, should have, and should be seen to have, the public interest as their goal. Actions which call into question this commitment are not acceptable.

Chairman NUNN. That is what I wanted to clarify. What actions have called into question the nominee's commitment to public service, in your view? That is the connection I did not get.

Mr. JACKSON. Well, Senator, last week the President of the United States had his appointees in and talked about Government as honorable service, which I believe it to be. It is a high calling. He talked about the revolving door; he talked about ethics; and you are considering a nominee to be Secretary of Defense who, to borrow a phrase, is of this culture—defense culture—who is intimately part of that culture in the private and public sectors.

Chairman NUNN. That raises a question, though—and I am going to waive my second round—but that raises the question, who do you disqualify? Do you disqualify someone that has been president of one company? Do you disqualify someone who has been a consultant with one company, or does it take two? If it is two, is two the right amount? Or three, if you have been a consultant for three companies.

RECUSAL

I said last week, it bothers me to have a nominee involved with six or more companies. It complicates any kind of recusal situation immensely. You either have to make a judgment that he is qualified, and not recuse, or you make a judgment to recuse him on various questions facing the Department of Defense and he cannot serve as Secretary, because there are too many of them. So where do you draw these lines? I agree with your concern, but I am having trouble defining where you draw the line.

Mr. JACKSON. I think we are all having trouble with it, Senator, as you said in your earlier comments in this hearing. But, Senator, I would feel a lot more comfortable—to get right to the point, I would feel a lot more comfortable with Norm Augustine, identified with one of the largest contractors, who has written a book, I believe, called "Augustine's Laws" which I have glanced at—someone like that, than I would someone who has been so intimately part of various aspects of the defense culture. I do not have any trouble answering that.

I will take a good manager out of a major corporation in the defense sector. In fact, I think management skills are more relevant to being Secretary of Defense at this time than being an expert on defense policy, and weapons, which Senator Tower is superb at.

Chairman NUNN. Okay, let me proceed to Senator Warner now, because I have overrun my time, and I will waive the second round. Mr. Phillips, I have some questions for you, but I will come back to them.

Senator WARNER. Thank you, Mr. Chairman. First, all three of you have come forward as witnesses and expressed your innermost consciences on this question, and that takes a measure of courage. It contributes to the credibility of these proceedings.

Both the chairman and I, and other members of this committee, have expressed during the course of these hearings, that this is a very important hearing in the history of this Senate, and it is vital to the integrity of this institution that these proceedings be viewed as having been credible.

The chairman and I spent a great deal of time preparing and then shared our work with the other members of the committee. Now each of them, singly and collectively, are taking on their responsibilities and I believe at the end, without question, these committee hearings will be viewed in the process as being credible.

NUNN-WARNER STANDARDS

But I would like to go to some fundamental questions here for a moment. First, Mr. Chairman, may I suggest that the letter that you and I wrote to the Vice President when he was a candidate for President, referred to as the Nunn-Warner criteria, be made a part of the record of these proceedings?

Chairman NUNN. I think it has been, but it will be again. I think it is relevant, without objection.

[The information referred to follows:]

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC, October 28, 1988.

Vice President GEORGE BUSH,
Old Executive Office Building, Washington, DC.

DEAR VICE PRESIDENT BUSH: We are writing to you and Governor Dukakis to explain qualifications standards that we are proposing to guide consideration by the members of the Committee on Armed Services of persons nominated by the next President for civilian positions in the Department of Defense. Our committee will then report to the Senate which will render its "advice and consent". This letter is being sent prior to the Presidential election for two reasons: principally, to avoid any suggestion of partisan motivation, but also to initiate an early cooperative dialogue. In this regard, the Committee would appreciate receiving your views on the proposed standards.

As you know, strong defense leadership will be needed during the next four years to resolve serious strategy, budget, force structure, manpower, alliance, and arms control problems and issues. Central to meeting these challenges is the appointment of the highest quality and experienced defense management team. The President deserves the strongest possible team; we want to work with the next President to ensure that this capability is provided.

In this letter, we do not intend to identify specific qualifications for each civilian appointed position in the Department of Defense. However, there are general qualifications for all nominees which we deem important. In identifying and commenting on these qualifications, we do not intend to criticize any prior Administration. Our focus here is not the past, but the future.

In evaluating nominees, the Committee will be guided by the following general qualifications:

1. *Nominees must be of unquestionable integrity.* For a number of reasons, the American public has had increasing concerns about ethical standards in the Department of Defense. Maintaining public confidence in the integrity of defense management is absolutely essential.

2. *Nominees must be capable of performing as members of the Secretary of Defense's management team.* If the Secretary is to effectively carry out his vast responsibilities, he must receive the full cooperation and support of his senior subordinates. In this regard, the Secretary must have a central role in advising the President on the selection of key civilian officials, in both the Office of the Secretary of Defense and the Military Departments. Section 113(f) of title 10, United States Code, already prescribes a key role for the Secretary by requiring him to inform the President of the qualifications needed by a person to serve in a specific civilian appointed position.

3. *Nominees should have a substantial understanding of national security policy and international security affairs.* The complexity of defense issues demands a high level of prior expertise. This standard need not apply to each civilian appointed position in the Department of Defense; but in the aggregate, the Secretary of Defense's management team must possess substantial expertise across the spectrum of national and international security issues.

4. *Nominees must demonstrate a commitment to emphasizing overall national security goals and objectives.* When appointees in the Department of Defense give undue priority to parochial defense perspectives, efforts to develop and execute an integrated and coherent defense program are greatly complicated, if not frustrated.

5. *Nominees must have substantial experience and expertise within their proposed areas of responsibility.* There is no time for "on-the-job" training in the Department of Defense. Nominees should be capable of immediately contributing to effective defense management and policy formulation.

6. *Nominees must be capable managers and administrators.* Each senior appointed position within the Department of Defense involves management responsibilities. Policy expertise must be complemented by forceful and effective leadership skills.

7. *Nominees must be suited by temperament for the demands of defense management.* Beyond working in a large and complex organization, appointees are confronted by perplexing problems, significant uncertainties, rapidly changing situations, and enormous time and work pressures. Nominees must be capable of coping with, and effectively performing, this demanding environment.

8. *Nominees must have a strong commitment to public service.* It is imperative that nominees should have, and should be seen to have, the public interest as their only goal. Actions which call into question this commitment are unacceptable.

9. *Nominees must demonstrate an understanding of, and respect for, the Constitutional principles of the Nation, including the legitimate role of the Congress.* A bipartisan, Executive-Legislative partnership on national security, with genuine cooperation between defense officials and the Congress, must be the goal of both Branches of Government.

As these qualifications standards indicate, the Committee will give increased attention to the potential contributions of an individual nominee to a defense management team. We trust you will share our view that a more comprehensive approach to the appointment of senior defense officials has merit.

Should you be elected President, the Committee will look forward to working with you to ensure effective leadership for the Nation's defense efforts. It is toward this end and in the spirit of partnership that this letter has been sent.

Sincerely,

SAM NUNN,
Chairman.

JOHN W. WARNER,
Ranking Minority Member.

Senator **WARNER**. On the second round of questions I will go to the point that this letter is directed at the composite of the Department of Defense in terms of the Presidential appointees. We did not envision that each appointee would have the totality of the criteria, but that the President and his Secretary of Defense would choose a team that would reflect the goals of these criteria.

ADVICE AND CONSENT

And now I would like to come back to the Constitution itself. I have done some research. I think it is helpful, no matter how long you are in this institution, to go back and study the advice and consent clause and such interpretations of that clause as have been placed on it by the Supreme Court, and subsequently in these proceedings I will bring a case which addresses it.

But by and large, the Supreme Court has not undertaken to try and advise the Senate with respect to its role under this clause, so let us ask each of you what your interpretation of that clause is, and how you view the responsibility of the Senate?

Because you are in a sense challenging what we have done thus far, and what we are about to do in the balance of these hearings and eventually the vote of the Senate as a whole.

I would suggest to you that it is not a function of the Senate to say that this individual, this nominee, is the best man qualified. That, to me, is the judgment of the President under his specific mandate under the Constitution, and President Bush has acted. He has made the judgment that this man, John Tower, is the best man that he can find to take on this heavy responsibility.

We, on the other hand, receive this nomination, and then we proceed as diligently and as effectively as we can to determine all the facts, singularly or in the aggregate, which compose a body of evidence to provide a reason for this institution to say to the President, this man is not disqualified. Now, somewhere in the bounds of those two poles, I suggest, resides the responsibility of the Senate. Let us just take each witness to comment on that, as you appeared in the proceedings here.

Mr. JACKSON. Senator Warner, I really appreciate that question and have given it a lot of thought, and I understand what you mean, that it is not necessarily the best person, but who the President judges he needs in the job, and it is up to the Senate to give its advice and withhold or give its consent.

FBI REPORT

I would note, as Senator Nunn did in his opening statement last week, that when the President got around to nominating Senator Tower on December 16, he said he had seen the FBI report and that it gave him a clean bill of health. As Senator Nunn has pointed out, the FBI report was not complete. In fact, it was not complete until early January, but of course President Bush stuck to his judgment.

Senator, it seems to me, to answer your advice and consent fundamental constitutional question, that where you sit—I am preaching to the choir—but where you sit, you have to weigh a range of factors and determine whether or not he is an acceptable nominee for that post. You may not conclude that you think everything positive about him that the President does, but you have to ask, is he acceptable for that job and can he handle the job?

Senator WARNER. I think I said, is there a factor or an aggregate of factors that provide a basis for disqualifying him for that job. I think that is a little different, if there is a fact, or an aggregate of facts, which provide a basis for the Senate saying this man is disqualified.

Mr. JACKSON. I was coming to that, Senator Warner. You weigh his policy views; you weigh his past public record on policy matters and defense questions; you weigh conflicts of interest; and you weigh allegations. Allegations about his private life insofar as they might impinge upon his public competence, and out of that composite, out of that aggregate, you reach a judgment. You men and women reach this judgment.

It is an aggregate question, it seems to me. I do not know of any other way to address it. If on either one of those grounds, or all of them put together, you conclude that he is seriously disqualified or might embarrass this committee later on by conduct in office, or something that serious, then you proceed accordingly. But if you do not conclude that, I know that Senators from both sides of the aisle are prone to give benefit of the doubt to Presidential nominations and let the President pick his team, and I generally am sympathetic to that.

I think the reading of the Constitution and a reading of the history of the advise and consent clause would show that there is a wide range here for approving nominees. Seldom do you ever go to the floor and defeat a Presidential nominee to a Cabinet position. You may get him to withdraw at this stage. That is why your hearings are so important, or he or she may never get up here because of questions that your committee has raised.

Incidentally, Mr. Chairman, I understood that your committee was prepared to conduct its own investigations and not just rely upon the FBI.

COMMITTEE INVESTIGATION

Chairman NUNN. We did that. We had no need for subpoenas, though, because we had no one that we requested information from that was not forthcoming. No one refused to discuss whatever we needed to ask them, we got cooperation from all the witnesses.

And beyond that, to go out and just start issuing subpoenas because someone has been in the same vicinity and may have heard rumors, that we have nothing to base that on, I believe that would be so grossly unfair and that it would work against the whole process. So we did conduct our own investigation as a supplement to what the FBI had done. Of course, we used their investigation as the foundation from which we moved.

Mr. JACKSON. I did not mean to suggest, Mr. Chairman, that you were not thorough. I was trying to stress the fact that you have very important powers in this committee.

Senator WARNER. Do the others just have a brief reply to the question I posed?

Mr. WEYRICH. Senator Warner, having been an observer both up close and a little further down the block of this institution for a long time——

Senator WARNER. Could you speak up loudly?

QUESTION OF IMPROPRIETY

Mr. **Weyrich**. I think, Senator, that you pose a very important question, and it is one that I guess there is no simple answer to, because most of the confirmation battles that I have witnessed over the past 23 years being in Washington have revolved around philosophical or policy questions.

Very few have probably revolved around a nominee's fitness for office, although in the confirmation hearings of Abe Fortas to the Supreme Court there were questions raised of evidence of impropriety. I was present at that time.

I think it comes down to this, Senator. Each Senator has to make a judgment based on everything he hears to the best of his ability, according to his own conscience. You and I strongly disagreed over your judgment on the President's nominee to the Supreme Court, Mr. Bork, but I respected your ability as a Senator to make that judgment.

I think that you can only proceed on the basis of what you know and what your conscience tells you, and act accordingly. I do not think there are any prescriptions that can be written, and this is a sort of unique case, because while I have questions about the nominee's direction and orientation, it is not as much of a philosophical battle as it is, I would say, a question of commitment.

Chairman **Nunn**. Senator Exon.

Senator **Exon**. Mr. Chairman, thank you very much. Gentlemen, I want to echo what my colleague, Senator Warner, said about thanking you for coming here. I am convinced it has not been easy for any of you to come and give us your impressions, your opinions. It took a lot of courage, I think, on each of your parts to do that.

I will be looking forward to the closed session this afternoon when we will go into some matters, because like others on this committee I have made no final determination on how I will cast my vote on this nomination by the President.

"OLD BOY" NETWORK

Mr. Jackson, I was particularly interested in your "old boy" phrase, and "what is the Constitution between friends"? If it will lay aside your fears somewhat, I must tell you that in all the years that I have served on this committee, I have never seen the committee be more judicious in its approach.

We are placed in a particularly difficult position on this one, because Tower was our chairman and we know and respect his expertise on military affairs. John Tower was not a personal associate of mine, but we had a friendly relationship.

I know that this nomination has been particularly difficult, I guess, for those on that side of the aisle who worked with John Tower on political matters for many, many years. I say that, without exception, I am very proud of my Republican colleagues on this committee for the objective viewpoint that they have taken in demanding the thorough investigation that has been primarily led on that side by Senator Warner.

So please understand that the "old boy" network is not working in this case, and we will do what we think is right, and, Mr. Weyrich, I appreciate the statement you just made, that in the end we have to make our own determination on this. So thank you for what you have done.

Let me say this: I am one Senator that has had discussion with my colleagues informally and in formal session, closed sessions, and I wondered why the President of the United States chose John Tower for this job, given the emphasis that he has placed on ethics and the appearance of wrongdoing. But the facts of the matter are that he has.

FBI REPORT

I would just like to ask one question of each of you. Some of the concerns that you have expressed here, and others that we have heard, reviewing and receiving reports on the massive FBI report, I have to look at this, though, from the position of what did the President of the United States know, and when did he know it, to use an old, old, old phrase.

At least, my opinion has been that I have always supported the nominees of the President of the United States unless there was some fundamental reason that I believed that the nominee simply would not work out, and infrequently I have voted against the nominees of any President of the United States while I have been in the U.S. Senate.

Do not each of you believe that the President of the United States had nearly as much information on John Tower as you do before he made the recommendation for the nomination?

Mr. JACKSON. Do you want us to answer in order?

Senator EXON. Yes.

Mr. JACKSON. I would just point out for openers, Senator Exon, that he did not have the FBI report you fellows had when he gave a clean bill of health on December 16.

Senator EXON. That is true, Mr. Jackson. He had only phase 1, and there is phase 2 and 3 that he did not have. But he has since received reports 2 and 3 and has not moved to withdraw the nomination. Therefore, I think we can say that the President of the United States has most or a substantial portion of the knowledge that you have now, and more, and he still stands by his nomination.

Mr. JACKSON. Well, Senator, I think that it is very important to note that President Bush has known John Tower for a long time and he feels he is the man for the job, and that is in itself a character recommendation. I want to put that on the record. In fact, you are much better judges, frankly, of some of these charges being made than people on the outside, even people who worked formerly in a staff job here, or a delegation there.

Senator EXON. Mr. Jackson, let me interrupt you right there. We have looked at so many of these charges, some of them yet questionable. I would say that 90 percent of what we heard is sheer, unadulterated garbage, but 8, 9 or 10 percent of it has some degree of validity and we are still checking and will be going into some of these things with you this afternoon.

Mr. JACKSON. I believe that a lot of it is garbage. I have heard a lot of garbage, too. Senator, my testimony was focused on conflict of interest. I just want to reiterate something.

ILL WIND

I know you are aware, certainly Senators Nunn and Warner were when they wrote that letter last October, there is a lot of public outrage in this country over the stink, and it is nothing new. A lot of us knew about it for years in this town, the stink surrounding Pentagon contracting.

Contractors and consultants. That is the only right word for it. It is an absolute scandal. It is a criminal scandal, and I identify very much, I think John Q. Citizen identifies very much—I think a lot of you identify very much with what Senator David Pryor of Arkansas, which is my current State of residence, said:

"I am not only outraged as a citizen, I am ashamed as a U.S. Senator of being part of an institution that knows the problem, but has been impotent to change it. I am ashamed we are not standing on our desk tops and demanding some public hangings."

DEFENSE CULTURE

That is what is worrying. You are behind that Nunn-Warner letter, and you want to do something about it, and it complicates things, at a minimum, it seems to me, when a nominee, given all his abilities, comes forward, who in a way is a symbol of the revolving door and conflicts of interest; he is part of the defense culture.

I want to make the point again, that if you go back and look at Secretaries of Defense since 1961, I think you will be struck that on the whole they all had greater detachment, relatively speaking, from that culture, than Senator Tower. They brought more independent perspective to the job.

Senator EXON. My time is up, Mr. Chairman. I will resume some other questions in the second round.

Chairman NUNN. Thank you, Senator Exon. Senator Thurmond.

Senator THURMOND. Thank you, Mr. Chairman.

Mr. Chairman, I just wanted to take this opportunity to welcome these gentlemen here. All of them have fine reputations. I have known Mr. Weyrich. I hold him in high esteem.

I just want to say that is the purpose of the hearing, to give the people of this country a chance to be heard. The committee has to make a judgment. We have to balance the situation as we think is wise, and then act. I do want you to know that the public is welcome to come here. We are glad to have you here to express yourselves.

I have known Senator Tower for years. I have been impressed with him, his knowledge on the military, his honesty. And after the investigation made both by the chairman and the ranking member here, I have been impressed with their investigation and what they have found.

I do not think anything has turned up so far that would cause me to vote against Senator Tower. I will always keep an open mind. And at the same time I want to be frank with you and say that.

SOLICITATION OF CLASSIFIED INFORMATION

Now, Mr. Jackson, on page 8 of your testimony you make a statement I want to ask you about. It says: "By the way, I cannot let pass Senator Tower's statement that he did not solicit classified information while representing his clients and moving about town mingling with uniformed and non-uniformed people in the culture of defense. Of course he did. To inquire about the status of a weapons program is to solicit quite sensitive classified information."

Now, the question I want to ask you, are you accusing Senator Tower of the Federal crime of unlawfully seeking classified information?

Mr. JACKSON. Senator, I am not accusing him of a Federal crime. I am referring to his testimony last week, in which he said in response—in a colloquy with Senator Warner, Senator Warner asked him, "How did you go about gathering information that you felt was appropriate to counsel your clients?" A very good question. "Obviously, when you departed the Senate you took a great bulk of knowledge. But as you well understand, these programs are fluid and decisions are made daily, and therefore you have to keep up to date."

Senator Tower replied: "Well, of course. I talked to my old colleagues in Congress. I talked to people I know in the Defense Department. I talked to people in town, lawyers and lobbyists, others who are knowledgeable of these matters. And so it was just a general information-gathering process, but never doing anything to elicit or solicit classified information or highly sensitive information of anybody in Government."

Now, Senator Thurmond, I just submit on the face of it, if you are making inquiries about the status of strategic weapons systems, just simply asking the question, has a decision been made among competing contractors, or asking the question, are you about to go from R&D into production, it would be unique classified information and you know it and I know it.

You do not have conversations with people in the services and outside of the services who work in the Pentagon on defense matters without getting into classified information, especially if you ask the questions, as he said he did on occasion, what is the status of the program?

Senator Thurmond, may I just say something additional? You and I go back further than you realize. In 1948 in the eighth grade I made a speech for you for President.

Senator THURMOND. You are a man of good judgment. [Laughter.]

Mr. JACKSON. Of course, Senator, I came from that valley of humility, North Carolina, which is between two mountains of conceit, South Carolina and Virginia.

Senator THURMOND. And I was a Democrat then. [Laughter.]

Mr. JACKSON. A lot of water is over the dam for both of us.

Senator THURMOND. We pulled the southern States away from the Democratic Party then and that was the beginning of the two-party system in the South. It was the first time in 100 years.

At any rate, that is another subject. That is the only question I wanted to ask you, because I did not think you meant to accuse the Senator of a Federal crime. But as I understand, anybody can make an inquiry about the status of a weapons system. That would not necessarily mean he solicits sensitive and classified information.

Mr. **Jackson**. Well, Senator, if you are a consultant or a lobbyist for a major defense corporation and you ask the Secretary of the Air Force or some other high official in the Pentagon, what is the status of a weapons system, I submit you are getting into some quite sensitive classified information.

Sir, I am not charging violations of the law. I am just saying you get into quite sensitive classified information, and he was not in the Government after he left the START negotiations.

Senator **Thurmond**. I am glad to have you here.

No other questions, Mr. Chairman.

Chairman **Nunn**. Thank you, Senator Thurmond.

I believe we passed up Senator Wallop. He should have been recognized next under the early bird rule, so we will go to him now.

Senator **Wallop**. Thank you, Mr. Chairman.

ILL WIND

I guess I have as much of a heavy heart as you gentlemen profess to have about having heard your testimony this morning, especially that dealing with intimations of moral misconduct, turpitude, because it was possible, I think to give those in detail in an executive session of this committee.

The cameras are on. The innuendoes have been made, the insinuations are on the table. Whatever comes out this afternoon will not be heard, and I personally find that troublesome. I do not know who it was that raised intimations at the Bork hearing, but I think I saw signs of it here, too.

I am particularly worried, Mr. Jackson—and I have known you for a long time and respect you—about how the American public is aware of the stink, was your word, surrounding the procurement process, and well indeed they are. But are you suggesting that Senator Tower is part of that stink and has through his career been making dishonest decisions or soliciting dishonest procurements?

Because if you are not, that is what came across. I think it is unfair. Lord knows I am a friend of Senator Tower's, have been for a long time. I have traveled with him to the Soviet Union, I have seen him in Geneva. I have traveled with him to Germany and France. I have traveled with him in Texas, I have traveled with him to Pascagoula.

I have not been with him all of his adult life or all of his life around here. But I have not seen these kinds of things.

And when you say that former Secretaries of Defense might not have been part of the culture, that may be part of the problem with America's defense today. There is something really wrong in the country, it is my belief, when experience and knowledge and competence is viewed as a disqualifying factor and that inexperience or lack of experience is viewed as somehow or another a guarantor of moral success.

I do not think necessarily that somebody coming from the outside is bad or somebody coming from the inside is bad. I think you are looking at is personally. And the view that one leaves Government office and goes to the private sector in an area of his expertise and competence and then comes back is not necessarily a crime, I would point out.

Mr. **Jackson**. I would hope not, Senator.

Senator **Wallop**. Well, yes, I would think so. I would think in particular you would not.

CONFLICT OF INTEREST

I think it is important to point out that people like Harold Brown and Mr. Weinberger—Mr. Carlucci's first press statement saying he was leaving was that he was going to the boards of some 10 companies. Did anybody suggest to him that that was payment for what he did while he was Secretary of Defense?

And yet, we have heard here intimations that what Senator Tower did by going to the private sector was in fact perhaps a payment for what he had done or what he might do. Presumably, somebody knew that Mr. Bush was going to be elected and that he was going to be nominated and would come back.

Now, I just have to declare my lack of comfort with things so vague as that while television cameras are on and while no standing proof, no name, has been attached to any of the charges and innuendo or of moral turpitude. You may have them and you may provide them this afternoon. I do not know. I will wait to see.

But I am very uncomfortable about choosing the open session to provide the intimations and then letting us be the judge of whatever may happen in the closed session.

SDI

And Paul, with regards to SDI, I think you are misinformed about Senator Tower saying it was a bargaining chip. What I think he said was, and I have a quote, was that "It was useful to the negotiations." That is a far cry from saying it is a bargaining chip.

Many people believe that SDI was one of the reasons why the Soviets came back to the negotiations. It has not been traded away. I would point out that he subscribes to the platform of his party and our party, saying it is already working for America, it brought the Soviets back to the table, it energized and challenged the research and technical community, we are committed to the rapid and certain deployment of SDI as technology permits, we will not negotiate in areas that jeopardize our security, and particularly we will not compromise plans for the research, testing, or rapid and certain deployment of SDI.

He subscribes to those things, and to say that it was useful to the negotiations is not to say it is a bargaining chip.

He also said here in this hearing that: "We are in the middle of a transition from offense only to a deterrent based on greater reliance on defense," and said that he supported the Republican platform.

So I guess, Mr. Chairman, I do not have a question. I just have an observation, and if the gentlemen wish to respond to it I would be glad to hear it.

Mr. **Jackson**. Senator, I think, again, my testimony focused on the revolving door issue and quoting the Nunn-Warner standards which this committee adopted as a whole. I assume that was done because of great public concern over the stink involving defense contracting and management.

And what I am trying to suggest, Senator, is it is not just a question of legality that you are weighing. You are weighing questions of propriety, and in this climate——

Mr. WALLOP. And competence as well, Mr. Jackson. And the impropriety, I suggest, has only been suggested, not stated.

Mr. JACKSON. Senator, I am talking about conflicts of interest. I am saying at this time to pick someone so thoroughly out of the defense culture—I will argue again, he has less detachment than any Secretary of Defense in modern times I can think of—that it does not speak to this public concern.

I am not charging illegality in this role as a consultant or a lobbyist. I am raising questions of propriety, yes, sir, based on his own testimony last week, in which he fuzzed this distinction between consultant and lobbyist: I am really a consultant, and I occasionally check on the status of a program, and I would advise clients on how the START or INF negotiations might impact upon their business. Shucks, I mean, that is what I call lobbying.

So there are questions of propriety. I am not suggesting questions of illegality here. I just wanted to make that clear.

Mr. WEYRICH. If I might comment, Senator. You know the high regard in which I hold you.

Chairman NUNN. Mr. Weyrich, could you tilt that mike up just a hair.

Mr. WEYRICH. As you know, Senator Wallop, the high regard in which I hold you, and we have shared and worked together on many of these questions. I think the Senator from Wyoming is well aware that, while Senator Tower now supports, says he supports, the party platform plank, it was Senator Tower who was working very hard behind the scenes at the Republican Convention to make sure that platform plank was in fact not adopted. And it was over Senator Tower's objections that that particular plank was worded as it was. And I was there and was working on it.

So the fact that he now says that he supports it does not particularly reassure me because, as I said, I am sure that the nominee will support the position the President has taken. But as you well know, a Secretary has enormous discretion with regard to how he might derail a particular program that even his own President would want.

To speak to your other point—and I think you make a very valid point—it was not my purpose to come here to grandstand before cameras. As a matter of fact, if I understood that I could make these comments in private I would have been happy to do so, because it certainly would have been more advantageous to me. My move to testify on this matter has not been popular in the circles in which I travel, as you might well imagine.

I wanted to see to it that certain questions were raised. And I have no illusions. I have been around here for a long time and I know what is going to happen to this nomination, and you do and everybody here does. And I will be shocked if there is a single vote against it in the Senate.

But I wanted these questions raised because they are troubling questions. And while I am not here to suggest that a person's involvement with the defense industry is a disqualifying factor and he should not be considered, or that lack of knowledge or ignorance in fact elevates them in their consideration for this kind of position, I am here to suggest that in my travels around the country—as you know, I am out around the country all the time—people are enormously concerned.

I am talking about conservative Republicans. I can imagine if I visited among the liberals. I do not. I generally visit conservatives. Conservative Republicans are very troubled.

I was in New Orleans just this past week, where everyone I saw raised the question about the stories that appeared in the paper about the amount of money that Mr. Tower received. It does not compute with ordinary businessmen. And I am talking about somebody who is very wealthy in one case, so this is not somebody who does not understand particulars of that nature.

But people really are concerned when they see the kind of revolving door that occurs here. And while I do not want to see some legislative strictures that would prohibit people from ever serving because they had ever been involved with a defense contractor, I just think it is a matter that we really ought to look at in terms of public policy.

I suggest to you that, if there were not other questions about this particular nominee, that probably nobody would say anything about it. But there is an uneasy feeling about the nominee. And you know, if it were my feeling alone I would have kept it to myself, but it is not.

Mr. PHILLIPS. Could I make a brief comment, Mr. Chairman, in response to Senator Wallop?

Chairman NUNN. Yes, sir.

Mr. PHILLIPS. As you know, in our statement we studiously avoided any references to these personal issues at all. That does not mean that we did not look at them and look at them very carefully.

And one of the things that shocked me most about last week's testimony by Senator Tower before this committee was the amount of money that was reported he received from those six or seven major defense contractors who had retained him.

I think it was somewhere in the neighborhood of $750,000 combined total. One of the first things that we had researched were the official lobbying reports that are filed with the Secretary of the Senate and the Clerk of the House; and I have copies of them here with me this morning. In the entire year of 1988 from February 2 on, when the preliminary registration for these companies was made by Senator Tower's firm, there is not one dime reported as having been received for his services, nor any expenditures, in a period of almost 11 months.

Now, I have been around this town a while, too, and I know that you do not retain former Senator Tower on a *pro bono* basis. These reports, as you know, are filed under penalty of perjury.

But there are no dollar receipts listed for any of these companies in an entire year. I have every single quarterly report. Now, that disturbs me.

I did not raise it in my testimony. I only raise it now because I think it is relevant in review of other things that have been said here this morning.

Mr. **Weyrich**. I must say that, if one can get the kind of money that was received here for the minimalist activities that Senator Tower describes in his testimony, then I am in the wrong business. I struggle to support my family, and I really ought to go out and get one of these positions, because I certainly can inquire about the status of bills and what impact arms control negotiations can have on some of these matters and probably could give some advice. It probably would not be as good advice, but I ought to be worth maybe half as much.

Chairman **Nunn**. Mr. Phillips, we do intend to get into many of those questions in more detail and also questions of the lobbying and the distinction in the executive session. There is some proprietary information relating to it that we have to do in closed session. But those questions are going to be asked.

Senator Cohen.

Senator **Cohen**. Thank you, Mr. Chairman.

First I would like to commend my colleague Mr. Wallop for his very strong statement about what I believe to be the impropriety of generally indicting an individual in public and then providing details in private. I do not think that is consistent with our system.

This is not to question any of you gentlemen. Mr. Weyrich, you are an individual of high-minded standards and strongly held views, a man of conviction. I do not know you, Mr. Jackson and Mr. Phillips. I assume the same thing is true for all of you.

"FRONT-LOADING" THE DEFENSE BUDGET

But the fact of the matter is I think it is a bad procedure to provide a general indictment of a man's character in public and then provide details in private. I think the entire matter should be discussed in private if that is the case.

But I would like to go on from there to ask, Mr. Weyrich, you said that Tower led the effort to front-load the defense budget, and you used that in a very pejorative sense in your statement. And the question I have is, where were President Reagan and Secretary Weinberger?

What do you mean by "front-loading the defense budget"?

Mr. **Weyrich**. I support what Senator Tower advocated in my statement. But I think we now have to examine what we got for the amount of money that was spent and whether or not by initiating a lot of procurement activities in that early period we are now not in a position where decisions will have to be made which will weaken the forces later on.

Senator **Cohen**. I agree with your conclusion. But it seemed, the way you stated it in your written statement, that somehow Tower was responsible and supported it, he led the effort to front-load the budget. It seems to me the person who led the effort to front-load the budget was the President of the United States and his Secretary of Defense, not John Tower. That is where the responsibility lies.

Mr. **Weyrich**. Senator, John Tower played a very appropriate supporting role in that.

Senator **Cohen**. John Tower as chairman of this committee did support President Reagan—indeed, I think, to your satisfaction at that point. I think you were in fact supportive of John Tower's efforts to support President Reagan.

Mr. WEYRICH. I was in some instances, yes.

Senator COHEN. Almost all of that I can recall, in terms of the position papers that were issued by your organization.

So I just find it a little bit unusual that now there is a negative implication that somehow he bears the responsibility for having front-loaded the budget and we have got a mess on our hands; now how do we get out of it?

Mr. WEYRICH. I certainly did not object and certainly raised none of the questions which I raise now.

COMPETITIVE PROCUREMENT

Senator COHEN. In your statement, on page 5, you also said: "Less than 10 percent of defense procurement is genuinely competitive." I am interested as to where you got that particular figure.

I just got a letter, for example, from the Navy talking about a 30-percent drop in prices they have had as a result of the CICA, the Competition in Contracting Act. Basically, they have got 12 programs all competitively contracted. These are the statistics I have. If they are wrong, please correct me.

The Department of Defense maintains that about 62 percent of all contracts are competitive and only 23 percent of its procurements are sole source, not competed. DOD also states that 95 percent of the dollar value of the Defense Logistics Agency procurement was competed.

So we have made major strides as a result of the Competition in Contracting Act. And I am interested in this because I am one of the ones who helped to write it, with Carl Levin and it had the support of John Tower. That is why I am struck by the fact that somehow John Tower is being criticized when in fact he supported our efforts to adopt the Competition in Contracting Act, which has led to major price reductions in many of these major weapons systems.

Mr. WEYRICH. I got my information from something that the Senate Congressional Record said came out of this committee. So if my information is in error, I stand corrected.

Senator COHEN. You are citing congressional sources?

Mr. WEYRICH. Yes.

Senator COHEN. That brings me to Mr. Phillips. I was interested in your statement as well. You indicated, on page 8 of your statement, that DOD has submitted, in essence, a fraudulent statement about offshore defense spending, with DOD stating that we only have $8.8 billion while your study showed $20 to $30 billion.

In essence, you are saying DOD has given us some phoney statistics.

Who prepared your statistics?

Mr. PHILLIPS. We did an internal analysis.

Senator COHEN. Who did it, sir?

Mr. PHILLIPS. I did most of it myself. If I can answer any specific question, I can explain how I got to that figure.

Senator COHEN. I was interested because—and I have asked my colleagues about this—I've never seen the study that you have referred to, and I would be most interested in having a copy of it and in knowing how it was prepared, who prepared it, what the analysis was based upon.

Mr. PHILLIPS. We analyzed official DOD statistics. We just came up with different answers. The main difference is that they do not include the dollar amount of subcontracts in the total. Subcontract costs in some weapons systems, as you know, can run as high as 70 to 80 percent of the total cost of the weapons system.

So that when you add those costs in and when you add in the cost of offsets where we have 5-year obligations—you add that in and then you add construction contracts, service contracts, and other types of contracts that are let overseas for our infrastructure (either in NATO or in other countries in Asia) they add up to these additional billions of dollars that are not included in the DOD figures.

Senator COHEN. If you could supply the committee with that, I am sure that Senator Nunn would be most interested. You have referred to him several times during the course of your written presentation. In fact, Senator Nunn has been one of the leaders in the effort to increase rationalization, standardization and interoperability. I think he, more than anyone else, would be interested in finding out whether or not pursuing it makes sense.

Mr. PHILLIPS. I will make that available.

Senator COHEN. Also in your statement, Mr. Phillips, you indicated—well, let me backtrack.

When did your group decide to mount an opposition to Senator Tower? When was that decision made?

Mr. PHILLIPS. Really when we sent the letter to President-elect Bush last November 22 Senator Tower's name had surfaced in the press after the election, along with the names of three or four or five other possible appointees.

So, we wrote the letter to Mr. Bush on that date. This was about 3½ weeks before the appointment was announced.

Senator COHEN. I was curious because the way in which your testimony is written, it would appear that your judgment that he is unqualified for the office was based upon the fact that he had raised in his testimony a number of issues that you were very much concerned about.

That is not the case? You were opposed from the time he was considered?

Mr. PHILLIPS. Those specific reasons were also set forth in a letter.

Senator COHEN. A couple other points, Mr. Chairman. I know my time has expired.

Chairman NUNN. Go ahead.

PACKARD COMMISSION REFORMS

Senator COHEN. You indicated that Senator Tower was opposed to the Packard Commission reforms. Senator Tower testified here before the committee last week that he was going to implement every single one of the Packard Commission reforms, so I do not know how you came to the conclusion that he was opposed to the Packard Commission.

DOD RE-ORGANIZATION

The second point is with respect to Goldwater-Nichols. I think Senator Nunn deserves a lot of credit for the Goldwater-Nichols bill but it was Senator Tower who laid the foundation for that particular set of reforms.

He was the one who called upon the Senate staff to start the preliminary study that set in motion the entire reform effort which was carried through not only by Congressman Nichols and Senator Goldwater, but by Senator Nunn, Senator Warner and others on his particular committee.

Chairman NUNN. Senator Cohen also played a big role.

Senator COHEN. So, to say Senator Tower was opposed to it is erroneous—he is the one that laid the foundation for the reforms. So, I think it is an error to somehow characterize him as an enemy or antagonist to true reform.

I think he was in the beginning of that effort, and I think it is a mischaracterization.

Mr. PHILLIPS. If I might respond, Senator. Senator Tower was not here in the Senate when the Goldwater-Nichols Act was finally enacted. We do not indicate that his mind is set in concrete. We were very pleased to note, in fact, his response to questions last week that he would support those reforms.

We were basing our comments on what we had seen or not seen in any of his previous public statements and also the Spinney affair that Mr. Weyrich referred to, which was very prominently reported at the time.

It seemed to us that anyone that really supported these kinds of meaningful procurement reforms would not have taken all the trouble to torpedo the attempt of a career civil servant from the Pentagon to come over here and state his views to the Senate Budget Committee that had requested them.

So, we were looking at his overall reform record or his lack of statements in support, subsequent to his departure from the Senate.

Senator COHEN. As a matter of fact, Senator Tower set up a separate subcommittee to deal with procurement reform and designated Senator Quayle, now Vice President Quayle, to head that particular committee because he was concerned about it. I didn't see that mentioned in your testimony, but that should be mentioned.

Mr. JACKSON. Senator Cohen, may I respond to a general statement that you made and that Senator Wallop made about it not being fair to raise things in public?

I agree with that, but I want to point out that you and Senator Kennedy and others on opening day saw fit to enter defenses of the character of the nominee, and I assume you had a reason for doing that.

I have enormous respect for you, Senator. I have followed you closely on your committees, and I want to make that clear, but I was struck by an exchange between you and Senator Tower which I questioned in my prepared testimony. And maybe I stand corrected.

Senator COHEN. You did what? I'm sorry.

Mr. **Jackson**. In my prepared testimony I addressed part of the exchange between you and Senator Tower—and maybe I stand corrected, but you asked, "Are you tough enough?" You went on to say: "Well, I could take a few moments to start ticking off the systems that you advocated that we cancel out of the Defense Department's proposals." I would be interested, Senator, in the major systems, to see a list that Senator Tower over time has tried to cancel.

Senator **Cohen**. How about withholding a billion dollars from the Defense Department until they came up with a basing mode for the MX?

Mr. **Jackson**. Yes, sir, I read that, but that was not canceling it. I said canceling; you said cancel.

Senator **Cohen**. How about the A-6?

Mr. **Jackson**. That is an airplane.

Senator **Cohen**. How about the aircraft carrier *Oriskany* that the Navy wanted to bring back?

Mr. **Jackson**. We are getting into smaller fish, it seems to me.

Senator **Cohen**. There was a substantial amount of money that was requested to refurbish the *Oriskany*.

Mr. **Jackson**. My only point is, Senator, that again I have observed a lot of annual defense debates, observed them personally or studied the record. And I do not see how anybody can conclude anything other than that, generally speaking, Senator Tower has been an unmitigated champion of just about every big ticket item to come down the line.

I may stand more corrected in connection with the second question you raised about whether or not he is anti-reform. You give him credit for the origins, in my understanding, of Goldwater-Nichols.

My memory is different. I had the impression Senator Tower as chairman was not that friendly in regard to Goldwater-Nichols reorganization reform. But I stand corrected if that is the case.

Senator **Cohen**. He is the one who initiated the basis for the Goldwater-Nichols reform effort.

Mr. **Jackson**. Did he fight for it, Senator?

Senator **Cohen**. He initiated the staff study. Mr. Jim Locher, who still continues to serve on this committee, was charged with organizing the staff to provide a detailed analysis of DOD reorganization, that had the blessing of John Tower.

And he left the Senate following that, and they carried on that initiative.

Mr. **Jackson**. I stand corrected, Senator.

Chairman **Nunn**. Thank you, Senator Cohen. Let me ask all three of you this. You all have one common denominator and at least maybe more, and that is that you are concerned about the appearance of conflict of interest.

The committee makes a distinction when you say the appearance, and the reason that word is used so frequently is because when an individual has no continuing financial interest, which Senator Tower has divorced himself from, or any continuing financial interest with any of these companies—in other words, if he makes a decision favoring any company that has been named here, he gets no money. He gets no additional money.

So, we believe that the conflict of interest question has been handled by the nominee.

The question is the appearance and perception of conflict of interest. All three of you are concerned about that. Are you giving an offset at all for the difficult job he did when he was asked to head the Presidential panel which investigated the "Irangate" scandal?

Basically he was chairman of a commission that was investigating the President of the United States, and his party and so forth. Do you offset this appearance of conflict to any degree by that job that he did at that stage?

Mr. JACKSON. I do, Senator. I think that was a significant service to the country. He was ably assisted, as you know, by a former employer and friend of mine, a former Secretary of State and former Senator Ed Muskie—I still call him Senator Muskie. And he was ably assisted by General Brent Scowcroft.

I think that was a great public service to the country, and it took a lot of stuff to ask the critical questions, especially when one of the key figures was a former member of his staff on this committee to whom he was close, Bud McFarlane.

So, I think that he did a service to the country in that, Senator, but at the same time I do not see—I would not equate that or suggest that it offsets defense industry conflict of interest or concerns about appearances. I just put that as a subject separate in the "pro" category for Senator Tower as opposed to the "con".

[The following information was submitted for the record by Mr. Jackson.]

As a result of Sen. Nunn's question about the Tower Board, I re-read the report of the "President's Special Review Board," dated February 26, 1987. This three-man board met December 1986–February 1987, and examined the operations of the National Security Council under President Reagan—especially in regard to the secret sale of arms to Iran and the illegal diversion of the profits to the Nicaraguan "contras."

On February 12, I spoke by telephone with the general counsel (Clark McFadden) to the Special Review Board about a discrepancy in the report, on pp. B-144-147, between what the Vice President told the board when they questioned him about his recollections (Bush was accompanied by his counsel Boyden Gray), and what a memo by Bush's chief-of-staff (Craig Fuller) later revealed about a meeting in Jerusalem on July 29, 1986, between the then Vice President and an Israeli government official (Amiran Nir).

Vice President Bush told the board that he met with the Israeli at the suggestion of Colonel Oliver North. Further, he stated that his discussion with Nir was generally about counter-terrorism, and that there was no discussion of specifics relating to arms going to the Iranians.

However, in Fuller's memo on the meeting, he attested that Nir briefed Bush on the details of the efforts from 1985 to gain the release of the U.S. hostages, including the shipment of arms. According to Fuller's notes, the Vice President thanked the Israeli official for having pursued the effort despite doubts and reservations.

It is my understanding that there was not time for the Tower Board to look into the discrepancy between the Vice President's recollections and the chief-of-staff's notes on the July 1986 meeting in Jerusalem.

Chairman NUNN. Now, Mr. Weyrich, how do you feel about that? Is that an offset in your mind as to your concerns about perception of conflict of interest?

Mr. WEYRICH. No, not particularly. Although I think it is conceded that he did a pretty good job in a short period of time, a lot of my associates contend that there are many errors in that report.

As a matter of fact, I was talking with Judge Gesell on Saturday, and he contends the report is filled with errors. I would have no idea because I never read it, and I do not know whether it is accurate or not.

But, no, I do not particularly consider it an offset, although it is an indication that the gentleman can, in fact, perform a service to his country for which there was no obvious reward.

In other words, I do not think it is an assignment most people would have wanted, and particularly not a member of the President's own political party.

So, in that respect I think that most people would concede that in a short period of time he performed the job as well as he could.

Chairman NUNN. Mr. Phillips, how do you feel about that?

Mr. PHILLIPS. I did not study Senator Tower's role in the Iran-Contra investigation. It is not part of my testimony. I would not have any comment. I have no direct knowledge.

Mr. JACKSON. Senator Nunn, could I just add one thing on that?

It is interesting to me that a number of people associated with overtures to Iran over time had an association with Senator Tower. I think Bud McFarlane has said in the New York Times Sunday Magazine piece recently—at least the person that wrote that piece suggested that back when he was working for Senator Tower they were making overtures or trying to start some sort of dialogue. It is just interesting.

There are other people who have been associated with the Senator who have had an interest in breaking the Ayatollah nut—no pun intended.

[Article referred to submitted for record.]

[From the New York Times Magazine, Jan. 22, 1989]

BUD MCFARLANE—SEMPER FI

AS THE NORTH TRIAL NEARS, A MAJOR IRAN-CONTRA FIGURE RECALLS THOSE TURBULENT DAYS

(By Brock Brower)

Robert C. (Bud) McFarlane sometimes has trouble with the truth, even when he is telling it. Take the time in 1982 when he was deputy national security adviser, and an intelligence leak reached The New York Times. McFarlane proposed the National Security Council staff members in the know be given lie-detector tests to find the leak, and he volunteered to go first. He flunked. Perhaps his nerves, it was suggested. So he retook the test, and flunked again.

"Obviously, I would have to resign," he recalls deciding, "even though I knew I wasn't the leaker." Only a call to the publisher of The Times, Arthur Ochs Sulzberger, asking if the paper would corroborate that he was not the leaker, saved McFarlane from the false witness of his own nervous system. The Times's publisher assured him he was not the source, and repeated the statement to President Reagan, who was with McFarlane at the time.

The incident comes to mind as McFarlane faces sentencing for failing to inform Congress about the activities of Lieut. Col. Oliver L. North on behalf of the Nicaraguan contras. In a deal with the special prosecutor Lawrence E. Walsh, McFarlane agreed to be a witness in the Iran-contra trials, and in return was permitted to plead guilty last March to four misdemeanor counts of withholding information from Congress about the activities of North and others in the contra-supply effort. "The concrete character of that," McFarlane told the Senate Select Intelligence Committee in 1985, "is beyond my ken." But as national security adviser then, he had every reason to ken all that. In effect, he had lied.

Yet there is something within McFarlane that rebels against the idea of himself as a liar, an adherence, perhaps, to his old Marine Corps code that caused sufficient turmoil to drive him to a suicide attempt on Feb. 9, 1987.

"No one has ever really understood why I did it," McFarlane insists, "because it doesn't fit our tradition of suicide." He refers to "a tradition in the Far East that when a public official fails to do his duty he has an obligation to the state, to sacrifice his life. And I thought that I had failed the country."

As he talks about his plight, in the third-floor study of his Georgetown home, McFarlane, a short, gray man, 51 years old, is surrounded by symbols of the country he failed. One of many photographs on the study walls shows him with Secretary of State George P. Shultz and President Reagan, who saluted him for his service as envoy to Lebanon in 1983 with the inscription. "We are keeping a candle in the window." But there are also Marine Corps insignia, his bronze star from the Vietnam War and various awards, including Eagle Scout.

This is where he comes every morning to work on the book he is writing to explain how Iran-contra came about, and to bring about his own public rehabilitation.

Over weeks of interviewing, McFarlane, a man in tight control of himself, seemed to relax only between deep sighs. He would sometimes offer long analyses of his attempts "to move the President forward" on foreign policy. Often these were self-justifications, but some proved out.

His suicide attempt, he said, was really "a sacrifice," to draw public attention to position papers he had prepared just before his suicide attempt on how to reach an arms-control agreement with the Soviets, how to deal with the budget deficit, the impasse in Middle East peace talks and with Congress on Nicaragua—each of which, he thought, "might still be achievable and could have advanced peace."

To accompany the position papers, McFarlane wrote letters of apology, with instructions in one to his lawyer, Leonard Garment, to distribute the other letters. One letter was addressed to *Meg Greenfield*, The Washington Post's editorial-page editor, asking to be heard on the issues, from the grave. He also wrote the heads of the Senate and House select committees on intelligence to inform them about contributions from private individuals and groups to the contras.

He put the envelopes on the kitchen table, with a suicide note on top to his wife, Jonda, who was busy that evening elsewhere in the house grading papers for the English classes she taught at Bethesda-Chevy Chase High School. Then he swallowed a large quantity of Valium pills.

"What I will always have on my conscience is that I didn't understand the urgency," says Mrs. McFarlane. "When I kept saying to him, 'It wasn't your responsibility,' he wasn't processing that rational information."

Today, after months of therapy, McFarlane still insists on the validity of his suicide motives. But if he had meant to die, why take Valium? Didn't he know it is seldom lethal, much more the classic cry for help? "No, I didn't," he says.

His suicide attempt showed the same naivete and amateurism as the arms-for-hostages deal itself. But his straightforwardness after the Iran-contra story broke in late 1986 earned him respect.

"Bud was almost the first witness we heard," Senator Daniel Patrick Moynihan recalls of the Senate Select Committee on Intelligence meetings. "No 'cute,' no evasion. 'I'm here. I'll tell you everything I know, and I'm going to make mistakes.' "

He admitted them when he did. McFarlane contributed to an N.S.C. staff chronology suggesting the President approved of the first arms-for-hostages deal in September 1985, placing it after the Israelis' initial delivery of TOW missiles to the Iranians. On Feb. 21, 1987, however, he told the three members of the Presidentially appointed Tower Commission—gathered at his bedside after his suicide attempt—that he had tried "to gild the President's motives," knowing Mr. Reagan had approved that deal in July or August 1985.

Donald T. Regan, then White House chief of staff, bitterly disputed the July/August date, and the President's memory failed him, but McFarlane stuck to his guns.

Edmund S. Muskie, Secretary of State in the Carter Administration and a member of the Tower Commission, believed that McFarlane had agonized his way to the true story. "I had a good opinion of him then," Muskie says, "and no reason to change it since."

Arthur L. Liman, the aggressive chief counsel of the Senate Iran-contra committee, says that "McFarlane deserves credit as the one figure to acknowledge that what happened was wrong."

Liman still has problems with McFarlane's obfuscations, but he doesn't believe they are all double talk. "It's psychological denial," says Liman, who consulted Dr. Robert E. Gould, a noted psychiatrist, about McFarlane's behavior as a witness. But then there was his body language. "When we showed him things that North had done that he didn't know about," Liman says, "Bud would put his head down in his hands. He felt guilt-ridden for having set North in motion."

The irony, Liman points out, is that North has emerged "a hero" to the right wing and is paid $25,000 a lecture, and Rear Adm. John M. Poindexter, who succeeded McFarlane as national security adviser and who also has been indicted in the Iran-contra affair, is admired around the Army-Navy Club "as a martyr, going down with the ship," Liman says. "But Bud McFarlane, who tried to obey both the President and his duty to the truth, has become like a man without a country."

Eager to have his motives understood, McFarlane says: "At the time of my plea, I insisted that I be sentenced before any testimony I might give," to avoid being seen as seeking a lighter sentence. McFarlane says that at North's trial on the remaining charges against him, scheduled to begin Jan. 31, he will repeat the testimony already on record.

Meanwhile, there are financial concerns. "People are, understandably, hesitant to engage me until I am free and clear," says McFarlane, who has done some consulting work. "Shultz and Weinberger and Regan and the Vice President had made great successes of themselves. I haven't done that." He came up by way of the Naval Academy and served in the Marine Corps, including two tours of duty in Vietnam.

"I need to get on with some means of support," McFarlane says. The book he is writing was supposed to take care of that, but he broke with his publisher, Random House. He then signed a contract with another publisher, Doubleday, but subsequently withdrew from that, too.

He is determined, he says, to write "a serious book about how to make the Government work better in the formation of foreign policy."

McFarlane's first political break came as a White House Fellow, in 1971. Brent Scowcroft, the designated National Security Council head in the Bush Administration who was then military assistant to President Nixon, was impressed with McFarlane's Congressional liaison work and started him on a heady climb. McFarlane rose from military gofer for Henry Kissinger on two China trips to President Gerald R. Ford's National Security Council, where he functioned as "another set of arms and legs," as Scowcroft put it, for him.

Another mentor, John Tower, then a Senator from Texas, gave McFarlane his first civilian job, as a minority-party staff member of the Senate Armed Services Committee. "Bud is one of the best geopolitical minds in this town," says Tower, who is slated to become George Bush's Secretary of Defense. Others in Washington would dispute that, including reporters who sometimes had trouble following McFarlane's convoluted policy statements.

Under Tower, McFarlane made his first move in the Iran game. He brought Reagan campaign aides Richard V. Allen and Laurence H. Silberman together in October 1980 with a questionable emissary named Houshang Lavi, who claimed he could "achieve the release of the hostages." Allen says he was "incredulous that McFarlane would have brought a guy like this to us with this kind of scheme." The matter was dropped.

After the 1980 election, McFarlane became a counselor to Secretary of State Alexander M. Haig, traveling secretly for him to propose an anti-terrorist alliance with the Egyptians. The mission came to naught, he says, because "Sadat was assassinated before we could do anything about it."

McFarlane moved over to the National Security Council in 1982, as deputy to William Clark, national security adviser. By now, McFarlane had a modest reputation as a detail man on foreign policy. Having helped convince the White House to undertake the high-risk commitment of stationing marines in Beirut, he was sent as a special envoy to Lebanon in July 1983. That peace-keeping effort ended tragically in October 1983 with the death of 241 servicemen, following a terrorist bombing of a Marine barracks. Soon afterward, Clark was appointed Secretary of the Interior.

James A. Baker 3d, then White House chief of staff, and Richard Darman, an assistant to the President, had Mr. Reagan primed, several White House staff members say, to name Baker the next head of the National Security Council. But Clark managed to step out of his office just in time to intercept the President on his way to announce Baker's appointment. Out of that corridor conversation, McFarlane emerged with the job.

"Bud never anticipated being national security adviser," says Edward Rollins, a former White House staff member. "He had as much knowledge as anybody, but he didn't have the personal access, or the stature. He'd only been a lieutenant colonel. And we'd had the Beirut disaster, and he'd advocated that policy and sold it to Shultz. So he had a honeymoon about as long as Mike Tyson's."

Suddenly assigned to operate that far above his rank, McFarlane had two choices. He could keep tight discipline over operations, or he could, as one White House insider says: "Risk doing something. He decided to do something."

In this, his military friends suggest, McFarlane was following Marine tradition: take the hill, at whatever cost. McFarlane says he decided to risk changing the President's mind about the Russians, concentrating on what he saw as the President's "perishable opportunities" for arms control and summitry. He tried to be Henry Kissinger, but without Kissinger's intellect, experience or clout, in a White House that viewed the Soviet Union as the Evil Empire.

From 1983 on, McFarlane stubbornly tried to mount a policy that would look to an opening to Iran after the Ayatollah. If his grand ambitions came from Kissinger, his modus operandi came from Scowcroft. During a time of contention between James R. Schlesinger at the Pentagon and Kissinger at State, Scowcroft had held the council to a steady policy course. But McFarlane had neither the skill nor the stature to manage a far more mutinous crew—Shultz versus Weinberger, for example, or William J. Casey of the C.I.A., or Regan. Casey is dead; neither Shultz nor Weinberger will speak beyond their Iran-contra testimony, and Regan declined to be interviewed, but other sources make McFarlane's problem clear: he was in over his head.

"Bud was the new kid on the block," says a White House staff member, "torn between Weinberger and Shultz," neither of whom he could handle.

Weinberger had it in for McFarlane for the Beirut disaster, according to a Pentagon aide, and for supporting former Deputy Secretary of Defense David Packard's reforms on military procurement. But McFarlane says, "Cap simply didn't understand the role of force." From Beirut to Grenada, according to McFarlane, Weinberger vacillated over military commitments.

That should have allied McFarlane with the tougher-minded Secretary of State. But even before the Iran-contra affair, says a White House staff member, Shultz believed that McFarlane was not keeping him fully informed. "We'd talk things out," McFarlane says, "but the disagreements persisted." And the President would not break the impasse, or dismiss anyone, as Ford finally did Schlesinger, in support of Kissinger.

Despite the constant infighting, McFarlane contends he managed to achieve some policy goals vis-a-vis the Soviets. One triumph was his handling of the Strategic Defense Initiative. S.D.I. had been broached as an idea by the physicist Edward Teller to President Reagan in 1981, then it was killed by the Joint Chiefs. McFarlane revived it in 1983 by adroit handling of a Joint Chiefs meeting with the President on Feb. 11, 1983.

A week earlier, McFarlane had lunch with Adm. James D. Watkins, Chief of Naval Operations and now the designated Energy Secretary, who had moral doubts about nuclear weapons, and talked about defending against them. "He said the chiefs were coming around to revisiting the technology," McFarlane said, "and I said to raise this at the meeting."

"Watkins spoke out at the meeting, but the chiefs didn't react," McFarlane says. "So I turned to my left and said, 'Mr. President, this sounds like your anti-missile defense.' He said, 'Yes, I know, exactly,' and asked the other chiefs, 'How do you feel?' They were a little bit startled, but they all said, 'Yes, I think [Watkins has] got something there.' So he took me back into the Oval Office, and told me to task them with milestones to go forward."

The catch was that McFarlane saw S.D.I. as a bargaining chip. The Soviets, he says, "would see we were serious, and *volunteer* to reduce on their side." It could be, he told reporters on background then, "the greatest sting operation in history.

He explains now: "I should admit that the President never approved it in that context. But I briefed it in that context, and three times explained to him—with George Shultz in the room—that if you are able to solve the military problem that way, you wouldn't need as much S.D.I."

The threat of S.D.I. arguably influenced the Soviets' return to arms negotiations, thus contributing to the present shift on United States-Soviet relations. "And that isn't trivial," McFarlane says. That this should be lost in the Iran-contra scandal strikes him as unfair. What seems even more unfair, he says, is how little he was helped during Iran-contra by those who were supposed to be "family."

"I don't excuse a profoundly wrong-headed piece of policy advice that I gave the President, that is, that we provide arms before we knew the bona fides of the people involved," he says. He feels he should not have taken the advice of Israeli intelligence to accept Manucher Ghorbanifar, the Iranian businessman who proposed exchanging American hostages in Lebanon for American-made weapons for Iran, as an intermediary. "But the C.I.A. had considerable information on Ghorbanifar, which was all negative, and they had circulated it to the State Department, but not to me. I still cannot explain why Bill Casey, or George Shultz, or anyone, didn't say, 'Wait a minute. He's a charlatan, and we ought not to get engaged.'" It was after his meeting with Ghorbanifar that McFarlane says he first advised that the operation be terminated.

In fact, McFarlane believes Casey might have deliberately set him up. Senator Moynihan believes that is exactly what Casey had done once before, in 1983, when he let McFarlane unwittingly assure Navy cadets, in a speech, that Casey had informed Congress that the C.I.A. had mined the waters off Nicaragua when, in fact, he had not.

But the last straw, McFarlane says, was Donald Regan's efforts to undermine him.

On a Sunday in 1985, Jonda McFarlane happened to read a blind item in Parade magazine charging very high-up hanky-panky in the White House. "We looked at each other," she remembers, "and said, 'Who could it be?' Nobody fit. So it had to be untrue." Then Washington's Dossier magazine published a rumor linking McFarlane to an Administration staff member and a network reporter.

"It was a terribly poisonous thing," says Mrs. McFarlane. "Your own best friends won't bring it up. You can't address it." But there were widespread reports that the rumor spreaders were staff members close to Donald Regan.

McFarlane had gotten on Regan's bad side almost from the very first by failing to inform him about the ruthless shooting by the Russians in March 1985 of Maj. Arthur D. Nicholson Jr. during an inspection tour in East Germany. Enraged, Regan yanked McFarlane out of a staff meeting and took him to his office.

"As be began to be more abusive and profane," McFarlane says, "I told him, 'Look, Don, I've told you this is my fault. It won't happen again. That's enough.' And he said, 'No, it isn't. I want you to understand that you work for me here.' I said, 'I work for the President.' "

That episode ended in a stand-off, but Regan did not let up. "I watched him break Bud," says Ed Rollins, then a White House staff member. He even belittled him in front of the President, Rollins says. By then, McFarlane had already decided to resign rather than fight further with Regan.

Sometimes McFarlane sees himself as the one who should have stopped Iran-contra. "If I'd stayed in Government," he says, "I could have closed that program [Iran-contra] down. Anytime that I really was determined on an issue, and felt strongly about it, the President agreed." Such statements raise questions about possible delusions of grandeur. More to the point, how can McFarlane square such statements with his trip to Teheran in May 1986?

He says he went at the President's request, to determine "if there was anybody sensible" in the Government of Iran, "and if they could act." After three days, he aborted the mission, but, he still contends, "it wasn't totally negative."

The Iranians, he recounts, first sent a "feckless functionary" to meet him at the Mehrabad airport. McFarlane refused to talk to him or the next emissary, a "fragrant tailor." Then a man named Hadi Najavabadi, the foreign policy adviser to Hojatolislam Hashemi Rafsanjani, speaker of the Majlis, the Iranian Parliament, showed up.

There was a long exchange of views, from which McFarlane, perhaps self-deludedly, draws some far-reaching conclusions: "I think it is quite possible that having heard from a minister of the United States Government that we do not seek to reverse your revolution, he may have been able to use that knowledge to rally enough people from the army, from the Majlis, and ultimately to insist that Khomeini stop the war with Iraq. This guy was a very reasonable person."

For all the high-level talk, Najavabadi was empowered to deal only with the fate of hostages, not nations. The best he could offer was two hostages. McFarlane said, "You know our position, get in touch when you agree," and flew home.

McFarlane says he later found out that Amiram Nir—the Israeli intelligence agent who had insisted on joining the trip—had held secret conversations with the Iranians, and it was he who suggested they offer two hostages. McFarlane still bristles at what he calls a betrayal.

This sense of betrayal deepened with public exposure, and McFarlane sank into the depression that eventually turned him suicidal. He took upon himself the burden of the failure of the entire Iran effort.

It pains McFarlane to be found this wanting. Most of all, he is conscience-stricken over any appearance that he lied to Congress. For all his attempts to emulate Kissinger, McFarlane takes some pride in having learned from "one of Kissinger's negatives. Henry never did pay enough attention to Congress." Bud McFarlane did. He was believed on the Hill, in a time of great distrust for Reagan's policies on the contras.

"He was torn between his loyalty to the President and to the country," offers Scowcroft. "He tried to do right by both, and got tangled in contradictions, which he obfuscated."

Leonard Garment, McFarlane's lawyer, says he couldn't get his client to see the trail of evidence until he had taken him, step by step, through every contradiction. But McFarlane insists, "I still cannot remember not telling the truth."

This denial had such a hold on McFarlane that just before he was to plead guilty last March, he went to seek advice from former President Richard M. Nixon. If ever he was looking for advice to hang tough, he got it. To Garment's horror, McFarlane ordered him to cancel the guilty plea.

Garment immediately telephoned Nixon. "To his credit," Garment relates, "Nixon said, right away, 'What can I do?' " An excuse was found for Nixon to call McFarlane, and in that conversation Nixon just happened to mention that maybe he shouldn't risk jail, put his family through such an ordeal, and so on.

Some high-level Bush appointees would like to have McFarlane back at work in official Washington. Any such move could cynically be seen as assuring his silence on Iran-contra, but McFarlane says there were only two times when he heard Bush speak out on arms-for-hostages: on McFarlane's returns from his London meeting with Ghorbanifar in December 1985 and his May 1986 Teheran visit. Each time, Bush—in front of the President, and "rare as it was for him to speak out"—backed McFarlane on closing down the operation.

From the Hill comes support from various Democrats involved with defense issues, especially Senator Sam Nunn, for whom McFarlane served as director of a bipartisan strategic study group on future United States military posture. But the move to rehabilitate McFarlane is at best tentative.

So much depends on what McFarlane says at the North trial and how people react to his public re-emergence. Senator Nunn sums up the only certainty: "He let his friends know there was remorse, and his friends remain his friends."

NATO AND THE WARSAW PACT

Chairman Nunn. I have listened to you on subcommittee, and you make some points that I think we need to take a real hard look at, particularly your assessment of the overall procurement balance and as it is affected by subcontracts. So I—believe you make some valid points.

However, overall for 35 or 40 years now we have outspent—we being NATO—and the Warsaw Pact each and every year maybe with one exception collectively. We know the conventional balance is such that NATO for years has had an avowed open policy of using nuclear weapons first, if necessary, to deter the overwhelming conventional advantage of the Warsaw Pact and the Soviet Union. Tom Callahan has done report after report after report talking about the tremendous waste, inefficiency and so forth by duplication.

In fact, we all have different procurement systems. We all duplicate each other. You are coming from the opposite point of view. Maybe not opposite, but partially opposite.

Have you had a chance to look at the Callahan reports and so forth, and if so, do you have any comment as to where you fundamentally disagree with this analysis, but needing more cooperative ventures, needing more standardization, needing more interoperability so that the taxpayers will get more for their money?

Mr. Phillips. I think that such cooperation is a fine objective, and there is no quarrel with it. What we are saying is it just has not happened for a variety of reasons. And part of the reasoning is that virtually every NATO country that has the capability has developed their own institutional defense marketing apparatus, and they are competing to sell their products all over the world.

One only has to look at one of the international defense journals to see hundreds of pages of advertising of six or eight different types of tanks, six or eight different types of artillery, aircraft, personnel carriers and so forth. Almost every country that is supposedly cooperating with us in the RSI spirit has developed their own system.

Look at the European fighter aircraft (EFA) as a good example. We are not a part of that consortium. In 1993 when the Common Market defense community becomes a reality, we are fearful that the U.S. contractors are going to be shut out, and that means our subcontractor base as well.

Chairman NUNN. Would it be fair to summarize your position then in contrast to the Callahan position that you agree with him in principle, but you do not think it has worked and that the United States is getting the short end of the stick?

Mr. PHILLIPS. I think that is a fair characterization.

Chairman NUNN. So, it is not a fundamental difference in overall philosophy. It is a matter of application?

Mr. PHILLIPS. It is execution and application.

Chairman NUNN. Thank you. That is helpful. My time has expired.

Senator Warner.

DOD RE-ORGANIZATION

Senator WARNER. Mr. Chairman, first I would like to go back to some of the important points raised with reference to the Goldwater DOD reorganization legislation at the time it was being considered by this committee.

I postured myself for several reasons as one of the principal critics of this legislation. I went along with it and in the end, I voted for it. But having served in the Department of Defense for some 5 years, I had, I felt, some useful knowledge and experience. Therefore, I watched very carefully as each step was taken. Once I established that role, wisely or unwisely, I became the focal point for a lot of calls from this town.

Chairman NUNN. We just called you the anchor.

Senator WARNER. I just called it the anchor chain! But I am not going to discuss that.

However, not one call came from John Tower, not one, but just about everybody else who ever worked around this issue called me besides John Tower.

I want to also clarify one other personal point, Mr. Chairman. Many of us have worked with Senator Tower through the years and now the chairman and I are given this critical fiduciary responsibility.

I talked to Senator Tower about this nomination process. We brought him into the chairman's office and spent a considerable amount of time with him. But it is my recollection, Mr. Chairman, at no time during that conversation or at any time before that or after has John Tower ever asked this Senator for any special consideration or treatment in this hearing.

As a matter of fact, he almost went to the other extreme because he recognized pragmatically speaking, that this hearing is controversial. He wants the will of the Senate to indicate clearly that he should be confirmed, that he survived this environment as a strong Secretary of Defense so that he can go out there and do his job.

He wants this hearing to withstand the severest tests of credibility. I think the chairman and I and the members are doing our best to do just that.

ADVICE AND CONSENT

We talked earlier about the role of the Senate and of the advice and consent clause, and I want to ask this question now.

Do you, in any way, question the manner in which the committee is carrying out its responsibility?

Let me give you some thoughts here for a minute before you answer that question. Again, I did some research in this area.

There is only one Supreme Court case—it was in 1932—on this question. That case simply said the Supreme Court must not get into this issue.

It left the President and the Senate to resolve their own responsibilities and duties under the Constitution. I am confident that was the state of the law in 1932, it remains the state of the law and it should be the state of the law.

So, the judicial branch is not going to get into arbitrating how we go about this process. It then comes down to another important forum, and that is the public forum which is going to judge the manner in which this committee has done its work.

It is imperative that we treat Senator Tower no differently than we would any other nominee.

I, for one, have no reluctance in saying that I think we have worked throughout this procedure in a sense of fairness. But there is a Senate tradition in the procedure that accords witnesses before the Senate committees, particular nominees who offer themselves to go into public service, the right to come and speak, as Senator Tower has exercised. This committee also has the right to hear from other witnesses such as we are hearing from you, and then to prepare a record, first for this committee and then for the other Members of the Senate. That record can be of such assistance as the other Members of the Senate desire in the formulation of their own judgments and their opinions and eventually in that single word—yea or nay.

Now, let us talk about compilation of that record. We are going to have an executive session this afternoon, which again is quite traditional in certain nominations.

I understand the chairman has issued an invitation to each of the three of you to come to that session and we are going to weigh such additional testimony as may be brought forward. We will also have the opportunity to confront Senator Tower with questions predicated on information we have learned subsequent to his first appearance.

Now, it seems to me we owe Senator Tower or any other nominee the opportunity to be heard in executive session so long as we prepare that body of facts for transmittal to the other Senators. That is our obligation, and we are about to fulfill that this afternoon.

There are occasions when the Senate has in the past and will in this case proceed with an executive session because we will enter into such matters that are sensitive not only to Senator Tower but to other persons who have been around him in years past, his family, children and others.

But that examination this afternoon will be very thorough, I assure you of that, and we will not leave unturned any stone.

And the record of your responses and those of Senator Tower will be carefully prepared and given to each Senator so that he or she can make their own judgments.

So, I come back to my question for you, gentlemen, and I have great respect for each of you. Is there anything about this procedure conducted thus far that troubles you?

Mr. PHILLIPS. I would respond, Senator. I think you have characterized the process adequately and fairly.

Speaking for myself, I have no quarrel with the committee procedures and how you have handled the hearings, giving us the opportunity to testify. I have no quarrel whatsoever.

The only thing I would like to add would be that I hope this afternoon when Senator Tower is before you that you would take another look at the kind of questions that are contained in my testimony which I think are really basic to his service as a good Secretary of Defense. I hope he does a good job.

I am not naive enough to think that anything that we could say here this morning is going to change your mind or change the outcome of the deliberation this afternoon.

But I hope that he will look at the industrial base issues that we raise in our testimony because I think they are vital, not in the short run necessarily, but in the long-run national defense effort.

I also hope that you raise some of those questions with him, so that at least when he goes into the Pentagon. He will have them in mind and perhaps make some inquiries about what is being done in the Department on these types of defense industrial base issues, particularly as they affect the smaller subcontractor.

Mr. WEYRICH. Senator Warner, I think the committee's done it with due diligence. I have no quarrel with the way the committee has conducted itself.

I would say that I informed the committee in my letter requesting to testify of the areas of my concern, and had the committee informed me that I would be given the opportunity to make some of these views known privately, I would have been more than pleased to do so. I want to make that clear, because I did not come here to try to raise these issues publicly, or run away from them privately. Those are genuine concerns that I have, and I wish that that part had been done. I would have complied with it.

"OLD-BOY" NETWORK

I would say this one thing. Having worked here for two Members of the Senate Republican leadership, I think it is a fair observation that the Senate is a club. It has been said many, many times. And I think there is an extreme reluctance to oppose former colleagues.

This in no way reflects on one party or another. But I think there is an extreme reluctance, when somebody has served, as Senator Tower did, four terms in the U.S. Senate, to ever oppose him, if he should be selected as the nominee.

So I have no quarrel with the way the Senate has conducted itself. I think Senator Nunn has done an outstanding job in initiating the investigation over and above what the FBI did. And as far as I know—I have not seen it, but as far as I know, it is very well done.

Nevertheless, I think it is well understood that while the nominee has not been treated any differently in an operational sense, in the comradery sense, the nominee has been treated differently.

I would submit to you that if this were not a former colleague, not a former chairman of this committee, and questions had been raised, that from my experience here—not that the investigation would have gone any differently, I do not mean to suggest that.

I think you have done very well. And probably, from what the chairman has said, very little has turned up that is worthwhile. But I just think there would have been a greater distance between the members of the committee and nominee than has been exhibited, which is a natural thing. It is a part of human nature.

And I do not think it is anything that can be changed, but I do not think that another nominee would have had, shall we say, the spirit that was exhibited by this committee toward him, had there been these kinds of issues and questions raised. And I think that is a fair observation.

NUNN-WARNER STANDARDS

Mr. JACKSON. Senator Warner, I think the public ought to realize that you and the chairman, in putting those standards forward for all nominees, general qualifications for all nominees, late last October, that you set yourselves up and you made likely that these kinds of conflict of interest questions would be raised no matter who was nominated as Secretary of Defense, or for lesser positions. And I think the committee deserves great credit. To answer your question about procedure, I read and saw Senator Nunn—I read, later, but saw him on TV lay down the ground rules at the beginning, and I do not know any other way you could have done it. You left open the possibility of going back into open session after you go into closed session.

And you are preparing a record, you have had your own staff discreetly looking into things that you felt perhaps had not been covered by the executive branch or fourth estate inquiry.

So I am comfortable in my own mind that you have set yourselves up for some very critical questions, no matter who the nominee is going to be on conflict of interest. And in terms of allegations of social habits, there is no other responsible way it seems to me than to handle that the way you intend.

I mean, after all, there is only one question, is there not, that is relevant here, when we are talking about someone's social life? And that question is, is there something about the pattern of a person's life or a set of habits that would reflect adversely on their ability to do the job, in this case Secretary of Defense? And if there is no such pattern, and no such set of habits, then there is no problem.

Chairman NUNN. Senator Cohen.

DEFENSE INDUSTRIAL BASE

Senator COHEN. Thank you, Mr. Chairman. Mr. Phillips, I agree with some of the basic conclusions that you have in your paper, namely that we are witnessing the disintegration of our industrial base.

At one point you point out the MOUs and how they are being used to our detriment, and you point out that our NATO competitors are selling to Third World nations at a much greater rate than we are. You did not point out that Congress also has a role in that particular result.

We impose congressional policy that may in fact restrict sales of weapons to various countries. So your critique is something that not only applies to the Secretary of Defense but to Congress itself, and perhaps is something it should take into account as it reexamines its role and what kind of restrictions can be put on our defense industries.

IRAN-CONTRA

The last point I want to make, Mr. Chairman, is directed toward and to Mr. Jackson. Several times today you characterized Senator Tower as an "interesting man." I am not sure exactly what you intended to imply by that.

But then you also said it is very interesting that some of the people associated with Iran-Contra were close to Tower. Now, that is the kind of statement that I must tell you I take exception to, because by implication you are suddenly casting some sort of a pall over John Tower, himself.

First of all, let me say you mentioned Bud McFarlane. I think Bud McFarlane was entirely right in making an approach to Iran to see if there were any so-called moderates in existence.

I happen to agree with Secretary Weinberger that most of them were executed by the Ayatollah, and they did not exist. But, nonetheless, it was right for Bud McFarlane to try to approach Iran.

It was also right for President Reagan to try to get the hostages back. What was wrong was the inclusion of the weapons involved—not that certain people in the Reagan administration were trying to seek out moderates in the Iranian hierarchy.

So I must take exception to the notion that somehow it is interesting that Tower knew some of the people who were involved. That is not something I think ought to go unchallenged.

Mr. JACKSON. I am sorry, Senator. I really did not mean to leave that impression. I was just expressing it as a matter of interest, based on a New York Times magazine story, I believe, 2 weeks ago about Bud McFarlane.

It triggered in my mind that a number of people associated with Senator Tower had been involved. Going back, I believe, McFarlane said, when he was on Tower's staff, he was trying to crack into that puzzle over there.

I think very highly of Senator Tower's service on the Tower Commission. I did not mean to leave any impression that you suggest. I read your book on Iran-Contra, and I know what your views are.

I said "an interesting man" because I am a student of this body, Senator. I find you all interesting, even novelists and poets.

Senator COHEN. I guess you would fall in that category of being an interesting man yourself then.

Mr. JACKSON. Yes, well, but you 100—you 100 are rather special people to me. And I follow you very closely, and I follow this body very closely.

And I care a great deal about what is said about this body, and I care a great deal about how Members of this body, whether they were here or are here now, conduct themselves.

I used to enjoy Senator Tower's contratemps on the floor of the Senate as he avidly defended one weapons system after another against detractors. He is a plucky fellow. A bantam rooster. I am a little fellow, too, and identify with plucky little fellows.

Senator COHEN. He is an interesting plucky little fellow, would you say?

Mr. JACKSON. Yes, sir. And he would make a good character in a novel. But I also meant to say, Senator, so we do not make this too trivial, that he is a fellow that in the course of his long career has created a long train of stories about him. And some other people do not create such long trains of stories about themselves.

Senator COHEN. I recall JFK once wrote, he said, "In my life's dying embers these are my regrets, when I was right no one remembers it, when I was wrong no one forgets." I think a lot of people may fall in that particular category.

Mr. JACKSON. Victory has a thousand fathers and defeat is an orphan.

Chairman NUNN. Senator Cohen, I think we should say for the record here, you are an interesting fellow too.

I want to just respond briefly in closing. Senator Exon, do you have any other questions?

Senator EXON. I have a comment and one question.

Chairman NUNN. Why do you not go ahead?

Senator EXON. Thank you, Mr. Chairman. Paul Weyrich, I listened with great interest to your statement about, how you understand us, the 100 Members of the Senate.

I like to think that we have given Senator Tower the same treatment as we have given others. But we are human beings, and we know John Tower. And I want to assure you and everyone that we have been most serious in trying to do the best and most thorough job we can on the one hand, doing that, and staying away from a witch hunt on the other.

And when the chairman and Senator Warner started out on this it had all the earmarks of a witch hunt that could have gone on. Had it not been a former colleague, maybe we would have been more tempted to go on the witch hunt. I hope not. But I want to assure you and others that we take this job very diligently.

DEFENSE INDUSTRIAL BASE

I was particularly impressed also with the comments by both Mr. Phillips and Mr. Jackson with regard to the industrial base of

America, our primary industrial base, and the subcontractors which I consider part and parcel of it. It is all the same.

And our NATO friends in Europe look at it the same way. I do not think there is any question but if NATO wanted to contract with one country for 80 to 90 percent of all of its weapons, it might be able to do it a little bit cheaper.

But if we did that then we would lose the industrial base of our NATO allies, which is very important to us and them from an overall defense posture.

EXON-FLORIO AMENDMENT

I am just curious to know whether either or both of you are concerned about this, and if you are familiar with the Exon-Florio amendment.

I asked Senator Tower about that the other day. He indicated that he was in support of it, and felt he could use it. I have talked to him privately about it. So at least he knows that it is there.

And I would think that that is a mechanism that we have now that we did not have before, which probably if properly used can do more than anything else to thwart some of these takeovers of including subcontractors, which in many cases are important because of the technology that they do develop.

Are you familiar with the Exon-Florio amendment? Do you think it will be of help in protecting our industrial base?

Mr. **Phillips.** I do not have a specific reference to the Exon-Florio amendment in my prepared statement. But we have been watching the Monsanto case very carefully because it is the first test of your amendment, which we supported and which we applaud.

We think that what is coming down the road in the next several years is a great many more takeovers or attempted takeovers of U.S. firms by offshore interests, and many of them will have defense policy application to our industrial base.

This first test case is extremely important for that reason. I am not too sanguine, from what I read, as to how it is going to come out, although I am pleased that the Commerce and Defense Departments did raise national security concerns about the proposed sale. Under your amendment, the President does have that responsibility and the opportunity to make sure that this very important technology of silicon wafer production does not go offshore, or at least can be controlled by an offshore company.

Even though West Germany is part of NATO and one of our allies, we still have to look down the road as to what the implications of that technology loss would be. For example, the possible licensing of that technology to other countries that may not be so friendly.

We have seen what West German firms have done with respect to building the chemical weapons plants in Iran and in Libya. Apparently they have admitted that companies, using their lax export control laws have helped the Libyans and the Iranians build chemical weapons facilities. This concerns us because it could happen with respect to this technology.

Senator **Exon**. I suspect that you are right. And unfortunately, I think that the Monsanto proposition with the wafers will go, because I do not think the President will override his advisor.

But equally important, this is the first test of it, and they know we mean business. And we had a terrible time getting that through the Reagan administration, I might add. You know, anything that can make money and keep things going, and let everybody buy what they can for the unholy buck.

But somewhere we have to draw the line when it comes to national security. So Senator Tower assured me, at least, that if he is Secretary he would use that diligently. And so that is a step in the right direction. Thank you.

Mr. **Weyrich**. We are very pleased to hear that, Senator Exon, because I support the concept in general terms.

And as a matter of fact, I have been busy wishing your general views as I understand them on many of the Republicans, because I think that during the Reagan administration that we have paid far too little attention to that question. It is very pro-business.

But I think that we have to be concerned about the long-term implications of our ability to operate, particularly in periods of crisis. And I am sorry that it had to be a Nebraska Democrat. I used to work for a Nebraska Republican, as you know. I am sorry it had to be a Nebraska Democrat that raised the issue. But I am glad you did. And I am glad Senator Tower has indicated that he supports it.

Senator **Exon**. Contrary to your general view, Democrats are not all bad, Paul.

Chairman **Nunn**. We will come back at 2 o'clock for executive session, at which time Mr. Jackson and Mr. Weyrich are invited to come forth and testify. We will start with them, and after we complete that testimony we will go to Senator Tower.

Mr. Weyrich, you are correct. We did not advise you of the possiblity of executive session. I did not anticipate that there would be direct personal knowledge in this area, and I should have advised you sooner of that possibility.

I think that we have heard so many rumors with so few backups that I must say that I have been getting a little bit careless at this point. We will have an executive session, we will get into it there. If there are names to be named, they will be named. And we will not have it on the public record. But we will certainly take that into our assessment.

ABM TREATY

Senator **Warner**. Mr. Chairman, on an entirely different point, for the Senators who are watching this hearing, I would say—Mr. Jackson, you made a reference to the ABM Treaty and how this committee and other Members of the Senate dealt with that.

I am sure you did not mean to infer, simply because certain Senators held different views at the time, that other Senators did not diligently pursue their work on this. I know from personal experience, reading extensively in that record and other documents, Senators expended enormous amounts of time and research on the record and independent research in arriving at their views.

And I take your comments there to mean that the Senate as a whole did its work thoroughly on the ABM Treaty irrespective of what the outcome may be at the present time?

Mr. JACKSON. Yes, sir. But I remember, Senator Warner, you and I at a Ditchley conference, had an exchange, I believe a colloquy on this very issue of reinterpreting, or finding a new interpretation of the ABM Treaty.

But I was simply citing Senator Nunn and Levin and others' work as an example of taking seriously their Constitutional responsibilities.

Senator WARNER. The debate is not over on that issue.

Mr. JACKSON. Yes, sir. I hear you.

Chairman NUNN. Mr. Weyrich, I might just amend that last statement. There was an article in the Philadelphia Inquirer today, dated January 25, quoting you on this same area, so there has already been something on the public record in this regard. I do not know whether you have seen it or not.

We will begin back at the executive session at 2 o'clock this afternoon. I thank all of you for appearing. I want to also add that I think it takes a lot of courage to come and testify against someone.

That is not easy. And whether we end up agreeing with you or not, we appreciate your testimony. You have contributed very much to the process, and you have made us more aware of what our duties are here in our Constitutional role of advise and consent. So to each of you, we thank you.

[Whereupon, at 12:20 p.m., the hearing was adjourned.]

NOMINATION OF JOHN G. TOWER TO BE SECRETARY OF DEFENSE

WEDNESDAY, FEBRUARY 1, 1989

U.S. Senate,
Committee on Armed Services,
Washington, DC.

The committee met, pursuant to notice, at 11:19 a.m., Senator Sam Nunn (chairman) presiding.

Committee members present: Senators Nunn, Exon, Levin, Dixon, Gore, Shelby, Warner, Cohen, Wilson, McCain, Wallop, Gorton, and Lott.

Committee staff members present: Arnold L. Punaro, staff director; Andrew S. Effron, general counsel; Christine C. Dauth, chief clerk; Melissa A. Ramsey, receptionist; Richard E. Caswell, printing and documents clerk.

Professional staff members present: Robert G. Bell, James R. Locher III, and David S. Lyles.

Minority staff members present: Patrick A. Tucker, minority staff director and counsel; Romie L. Brownlee, deputy staff director for the minority; Inga B. Schoonover, special assistant; Brian D. Dailey, professional staff member.

Staff assistants present: Barbara L. Braucht, Elizabeth Ann Harlow, Lori M. Jackson, Mary J. Kampe, Cindy Pearson, Debra A. Rice, and Mickie Jan Wise.

Committee members' assistants present: Jeffrey B. Subko, assistant to Senator Exon; Gregory J. Weaver and Linda Gustitus, assistants to Senator Levin; William J. Lynn, assistant to Senator Kennedy; Charles C. Smith, assistant to Senator Dixon; Milton D. Beach, assistant to Senator Glenn; Jefferson B. Seabright, assistant to Senator Wirth; Terrence M. Lynch, assistant to Senator Shelby; Dale F. Gerry, assistant to Senator Cohen; Mark J. Albrecht, assistant to Senator Wilson; Christine Dawson, assistant to Senator Gorton; and Anthony H. Cordesman, assistant to Senator McCain.

OPENING STATEMENT OF SENATOR SAM NUNN, CHAIRMAN

Chairman Nunn. The committee will come to order. Since the last open session, the committee has had an executive session. We have heard from two outside witnesses in that executive session. We have also had an executive session with Senator Tower that started yesterday afternoon, but because of votes in the Senate, we were not able to complete it. We continued it this morning starting at 9:30 and have just concluded the executive session.

We are now back in open session for the purpose, not exclusively, but for the main purpose of getting into any questions that are remaining as to any conflict of interest or perception thereof. I have a few other questions on other subjects, but that will be the primary topic this morning.

I would like to read into the record a letter that Senator Warner and I have received, dated February 1, from Mr. C. Boyden Gray, Counsel to the President. It is in response to the letter we wrote after having allegations made by Mr. Weyrich yesterday morning about letters alleging improprieties that were allegedly received by the transition team after the November election, the allegation being that they had not been dealt with and they had not been seen by any high-level officials.

The committee had no such letters and we asked for any record of those, and this is the response we received from Mr. C. Boyden Gray. Quoting from that letter:

> This will respond to your January 30, 1989 letter inquiring whether any letters containing specific allegations of impropriety concerning Senator Tower were received by the Transition Office or the White House, from November 8, 1988, through January 31, 1989, and, if so, whether such letters were provided to the FBI and investigated and addressed in the FBI report made available to you.
>
> To the best of my knowledge, no letters containing specific allegations of impropriety concerning Senator Tower were received by either the Transition Office or the White House during the period in question. During the transition, letters received by the Transition Office relating to possible presidential appointments were forwarded to the Transition Office of Presidential Personnel for appropriate action.
>
> Similarly, letters received in the White House from November 8, 1988, through January 13, 1989, for President-elect Bush on potential nominations were forwarded to the Transition Office of Presidential Personnel.
>
> My office has received all letters received by the transition personnel concerning Senator Tower, and none contain specific allegations of impropriety. Further, my office has reviewed all correspondence received by President-elect Bush's office between January 13 and January 20, 1989, and none contain such allegations.
>
> Finally, I am advised that all correspondence received by the White House since January 20, 1989, concerning presidential appointments would have been routed to the Office of Presidential Personnel for appropriate action, and that office has no knowledge of any letters containing specific allegations of impropriety concerning Senator Tower.
>
> Please be assured that I requested the FBI to investigate every specific allegation of impropriety concerning Senator Tower brought to my attention, and the results of such investigation were addressed in the FBI report made available to you.
>
> Sincerely, C. Boyden Gray, Counsel to the President.

This letter will be made available and it will be part of the record, without objection.

[The letter referred to follows:]

U.S. Senate,
Committee on Armed Services,
Washington, DC, January 30, 1989.

C. Boyden Gray,
Counsel to the President, the White House, Washington, DC.

Dear Mr. Gray: The Committee has received information alleging that the White House has received letters containing specific allegations of impropriety concerning Senator Tower. Please provide us with the following information:

1. During the period from November 8, 1988 and the date of your response to this letter, were any letters containing serious allegations of impropriety by Senator Tower received by either the Transition Office or the White House?
2. If so, were such letters provided to the FBI? If not, why not?
3. If such letters were provided to the FBI, did the FBI examine each allegation in the course of its background investigation? If not, why not?

4. If such letters were provided to the FBI, was each such allegation raised and addressed in the FBI Report made available to us?

Your cooperation in this matter is appreciated.

Sincerely,

SAM NUNN,
Chairman,
JOHN WARNER,
Ranking Minority Member.

THE WHITE HOUSE,
Washington, February 1, 1989.

Hon. SAM NUNN,
Chairman, Committee on Armed Services, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: This will respond to your January 30, 1989 letter inquiring whether any letters containing specific allegations of impropriety concerning Senator Tower were received by the Transition Office or the White House from November 8, 1988 through January 31, 1989; and, if so, whether such letters were provided to the FBI and investigated and addressed in the FBI Report made available to you.

To the best of my knowledge, no letters containing specific allegations of impropriety concerning Senator Tower were received by either the Transition Office or the White House during the period in question.

During the transition, letters received by the Transition Office relating to possible Presidential appointments were forwarded to the Transition Office of Presidential Personnel for appropriate action. Similarly, letters received in the White House from November 8, 1988 through January 13, 1989 for President-elect Bush on potential nominations were forwarded to the Transition Office of Presidential Personnel. My office has reviewed all letters received by Transition Personnel concerning Senator Tower, and none contain specific allegations of impropriety. Further, my office has reviewed all correspondence received by President-elect Bush's office between January 13–20, 1989 and none contained such allegations. Finally, I am advised that all correspondence received by the White House since January 20, 1989 concerning Presidential appointments would have been routed to the Office of Presidential Personnel for appropriate action, and that Office has no knowledge of any letters containing specific allegations of impropriety concerning Senator Tower.

Please be assured that I requested the FBI to investigate every specific allegation of impropriety concerning Senator Tower brought to my attention, and the results of such investigation were addressed in the FBI report made available to you.

Sincerely,

C. BOYDEN GRAY,
Counsel to the President.

Chairman NUNN. I will defer first to Senator Warner for any questions he may have.

Senator WARNER. Senator Tower, at various stages of these hearings, I have focused on the Ill Wind investigation. Last Thursday you testified that you had not provided your clients with any classified or source selection information, that you had not assisted in the preparation or submission of bids or proposals, and that you had not provided them with any non-public information about the Ill Wind investigation. Is that a fair summary of your testimony?

HON. JOHN TOWER, SECRETARY-DESIGNATE OF DEFENSE

Mr. TOWER. That is a fair summary, Senator.

Senator WARNER. Did you solicit from any Government official any information about the status of any program which reasonably should have been treated as classified or source selection sensitive?

Mr. TOWER. I did not, Senator.

Senator WARNER. Did you provide your clients with any information or ideas as to how they should respond to or otherwise address the issues raised by the Ill Wind investigation?

Mr. TOWER. I did not.

Senator WARNER. Thank you, Senator.

I have no further questions on that subject.

Chairman NUNN. Senator Exon.

Senator EXON. Mr. Chairman, thank you very much.

Senator Tower, as you know, this has been a very long and a very thorough process that we have been going through. The remaining question in my mind I think is also in the minds of some of the other members of the committee, and I would like to give you an opportunity to address it.

Given the background of your contracts with various and very important defense contractors, despite the fact that we are convinced that you have ended all relationship with them and that any future decisions that you might make would in no way benefit you personally, there is a concern of some on our part that you might not be able to function as effectively as a Secretary of Defense, given the contracts that you previously have had.

It is true that in some instances you have said that you could recuse yourself from some of these. But your former contacts and contracts are so widespread that there remains a question as to how effectively you could perform and make the decisions that you are going to have to make if you are confirmed as Secretary of Defense.

You have been asked this question before, maybe not directly in this manner, but I am asking it for the purpose of telling you that that is still a concern. And this may be the last time publicly that you have a chance to respond.

Would you please give me your version of this question that I think is legitimate on some of our minds?

Mr. TOWER. Senator, I think that I am going to be judged on the basis of my performance. I do not believe there is anything in my past performance as a public servant that would indicate that I would not discharge my duties in a very objective manner, placing first the national interest.

I think if I demonstrated some clear pattern of favoritism in the conduct of my duties, I would be suspect. That is not going to occur.

I would also note that decisions involving the defense industry are collective decisions, made not only within the Department, by several officers of the Department, but also a part of the collective decisionmaking process of the national security apparatus, which includes the President, the Secretary of State, and in some instances, the Director of Central Intelligence, the Attorney General, and other officers, in addition to the Secretary of Defense.

So I do not believe that there will be an appearance of conflict of interest. And what we are talking about really is a perception of an appearance of conflict, because, as you have pointed out, there is no conflict in the legal sense since I have completely separated myself from any association that I have had with defense contractors.

Senator EXON. Senator Tower, on another subject, yesterday we heard testimony here in open session with regard to your alleged lack of concern for the industrial base of the United States in the national defense area, with the particular lack of concern supposedly for subcontractors. As you know, subcontractors play a very important role in our national security as far as the future is concerned.

I asked questions of those who had raised that concern as to whether or not the Exon-Florio measure that we passed as part of the trade bill last year would not be extremely helpful to you in protecting the technology of the United States from going overseas, through mergers or purchases by offshore ownership.

The witnesses thought that that might be helpful. Could you briefly state how seriously you consider the concern for the industrial base of the United States? And would you be fully alert to doing everything that you could to protect the industrial base of the United States, both from a major contractor and subcontractor level, from a foreign takeover if that would jeopardize our security?

Mr. TOWER. Senator, I believe that we should do everything possible and everything necessary to preserve and indeed enhance the defense industrial base of the United States and should because it is in our national security interest to do so.

We cannot be inordinately dependent on external sources for those materials and services that are vital to the functioning of our national security apparatus, and more specifically stated, our military capability.

Senator EXON. Thank you, Senator Tower.

Thank you, Mr. Chairman. My time is up.

Chairman NUNN. Thank you very much, Senator Exon.

Senator Tower, there were allegations made in public session yesterday. You may have read the news clippings and you may have even observed some of the proceedings. I would like you to tell this committee and the American people your own attitude toward the consumption of alcohol if you are confirmed as Secretary of Defense, while you are Secretary of Defense.

Mr. TOWER. I think that it is essential that the Secretary of Defense be at all times capable of exercising the duties and responsibilities of his office, some of which are even more sensitive and more critical than the general public realizes. And therefore I think that there should be zero tolerance of anyone as Secretary of Defense or in any other sensitive job in the Defense Department who has an alcohol problem.

Chairman NUNN. You have assured us privately, and I would hope you would also give us in public your own view toward alcohol and whether you yourself have any alcohol problem?

Mr. TOWER. I have none, Senator. I am a man of some discipline.

Chairman NUNN. I would like to ask you a question about your attitude as Secretary of Defense toward the treatment of women in the military, and particularly whether you would tolerate any sexual harassment or any abuse of power regarding women and whether you would stand for equal treatment of women in the military?

Mr. TOWER. I will answer again with the term zero tolerance for discrimination against women, for sexual harassment of women.

I believe that professional women should be afforded the respect and the deference that they deserve. I believe they should be given equal opportunities for advancement. I will say that I do not believe that women should serve in combat slots, but I believe, in every non-combatant position that is open to women in the service, that they be treated equally with men.

Chairman NUNN. Senator Warner.

[No response.]

Chairman NUNN. Senator Levin.

Senator LEVIN. Thank you, Mr. Chairman.

Senator Tower, first, to go back to the C-FIN program just for a few moments, that was a program where you have stated that you did lobby for a particular program. My question is this: Did you or your associates ever discuss the C-FIN matter with Congressman Chappell or House staff?

Mr. TOWER. I do not recall ever having discussed it with Congressman Chappell or House staff. It is possible that there may have been some informal discussions by a staff member with House staff, but highly unlikely that any of my staff would discuss it with the Congressman himself.

This was a matter that was largely a Senate matter. It had to do with a reprogramming which I think the House had already signed off on, and the only unresolved issue involved was in the Senate.

Senator LEVIN. As I remember the incident, the C-FIN authorization was rejected and the reprogramming was rejected, but Congressman Chappell was able to add an appropriation which was not authorized into an appropriation bill.

Mr. TOWER. I am not that much up to speed on the legislative history of it, Senator. I could not say, or at least I do not recall.

Senator LEVIN. When you say that your staff may have had informal discussions, those discussions could have been lobbying for that program with Congressman Chappell or discussing?

Mr. TOWER. No, no, no, it would not be lobbying.

Senator LEVIN. Would it be discussing strategy with Congressman Chappell?

Mr. TOWER. No, I doubt that.

Senator LEVIN. What would the topic——

Mr. TOWER. As a matter of fact, I will say that the members of my staff did not talk to the Congressman.

Senator LEVIN. Or his staff?

Mr. TOWER. Whether they talked to any House staff about the issue, I do not know. But there would be no lobbying because the issue was already resolved as far as the House was concerned.

Senator LEVIN. There was a special provision added in the appropriation bill in the House.

Mr. TOWER. There was no lobbying on that at all by me or by a member of my staff.

Senator LEVIN. Did you advance any program other than C-FIN in the executive branch?

Mr. TOWER. Advance any or advocate any?

Senator LEVIN. Yes.

Mr. TOWER. Is "advocate" a satisfactory term?

Senator LEVIN. Yes.

Mr. TOWER. No, no direct advocacy of any other program.

Senator LEVIN. Was there indirect?

Mr. TOWER. As a matter of fact, there was not really any real advocacy of C-FIN with the administration or with the DOD, because it was already a program that the Air Force had signed off on.

Senator LEVIN. You used the words "direct advocacy." Was there indirect advocacy of any other program?

Mr. TOWER. No, I would not say so, not advocacy, direct or indirect, of any other program.

Senator LEVIN. As I understand your decision, you are going to recuse yourself from any decisions involving the C-FIN program because you lobbied for that program?

Mr. TOWER. I did, and although I am not legally required to do that, I think out of an abundance of caution and for the sake of appearance that I would recuse myself on that.

Senator LEVIN. Now, for that same reason would not logic suggest that you recuse yourself from any decision on any program that you advocated, whether or not you lobbied for it?

Mr. TOWER. No, I would not say so. My advocacy in that instance would not be with people in the Government. For example, I, on behalf of LTV, made trips to Turkey and Pakistan on the matter of the sale of the multiple launch rocket system to those countries, which sales had been approved by the Department of Defense to those countries.

So I was in an advocacy position there. That is an established, ongoing program anyway. But I do not see any other situation in which there would be recusal.

If there is ever any question in my mind, I would consult counsel on whether or not propriety would indicate that I should recuse myself. But I do not foresee any such.

Senator LEVIN. Relative to recusal, though, recusal in your instance comes because of an appearance issue, that you advocated or in this case lobbied for a particular program.

Mr. TOWER. And I want to emphasize again that there is no conflict.

Senator LEVIN. I understand that.

Mr. TOWER. No real conflict.

Senator LEVIN. What is the difference in terms of the appearance as to whether or not you lobbied Congress for a program or whether or not you advanced that program through other means? Is not the same connection to that program in existence?

Mr. TOWER. Senator, that is a judgment call on my part, and that is the only one in which I might have had some profile. In other words, it has been spread on the public record here. Therefore, it would seem that there is more likely to be an appearance on that than anything else.

Again, I would emphasize I am not legally required to do this. But out of an abundance of caution, that is a judgment call that I am making myself.

Senator LEVIN. As you know, a number of us have been troubled by the revolving door issue. We have taken a look at some of the ethics laws and we are looking at revisions of those laws. Senator Thurmond, Senator Metzenbaum, myself, and others on the Senate side have looked at those laws and are considering amendments to them to address the revolving door issue.

The other day President Bush addressed the revolving door issue and said the Government should be an opportunity for public service and not private gain.

There is a great deal of concern about the appearance that is created because of the revolving door, and I want to ask you about that appearance as it relates to your work as a negotiator on the START talks. According to your document here, after you retired from that position you and your staff met with a number of private clients to discuss the implications of those negotiations, which were ongoing, for those firms' product development.

Does that not create a problem in your mind in terms of appearance?

Mr. TOWER. I do not think so, because it becomes a question of educated judgment on what is likely to happen. And such prognoses are subject to change without notice based on—and you can only base it on probable outcomes.

Now, in giving advice to a private concern about a possible outcome, I would probably be less inhibited than within Government giving such advice, because of the implications of what the final result might be. But looking at what was already within the public domain in terms of what had been tentatively agreed to by the United States and the Soviet Union, you make judgments on probable outcome.

I have some degree of sophistication in that field, or I am at least perceived to have, and therefore my advice was valued on that.

Senator LEVIN. My time is up. I will come back to that later.

Chairman NUNN. Thank you, Senator Levin.

Senator Cohen.

Senator COHEN. Thank you, Mr. Chairman.

Senator Tower, you have undergone extraordinary scrutiny by this committee. It has been thorough, it has been comprehensive, and indeed instrusive, as it should be.

Whenever we place under the magnifying glass an individual who seeks or is nominated for public office, I think there is a certain degree of distortion. Some individuals emerge much larger than they really are, but many emerge as something much less.

Yesterday we witnessed you being caught in a sort of a crossfire. On the one hand, witnesses, one witness, maybe two, indicated you never met a weapons system you did not like. On the other hand, we had a witness who felt you were insufficiently committed to one of the most expensive and extraordinary systems yet to be developed, the so-called Strategic Defense Initiative.

There were allegations made as to your personal character. I see one of the gentlemen in the audience today who I believe I am fairly characterizing as saying that he believed it to be inappropriate to make statements without specific factual matters to back them up.

So we have a situation in which you have been scrutinized. All of us are imperfect. I do not think anyone in this room could claim not to have made his or her share of mistakes.

There is an expression that old errors tend to have a longer life, or at least are more popular, than new truths. The fact of the matter is that this institution has changed over the years, the mores have changed. You yourself, sir, have changed over the years.

And I think that there is some wisdom in the observation that we tend to—we should—judge trees not by their leaves but by their fruit. And the fruit that has been produced by you has been that of a fine family, and we had a chance to bear witness to your lovely family; also, the loyalty of your first wife, who sat through the week or so of deliberations as to your character and fitness for office. That is a pretty strong testament as to the individual that you are.

I want to make one other comment about how you will serve as Secretary of Defense because I believe you will be confirmed by this body. You are not one who has ever had your ear to the ground or a moist finger in the air. Churchill said that that is a very unseemly position, particularly one for a leader.

I believe you are going to tell the American people what they have to hear, not what they want to hear. And there is one thing that I am absolutely convinced of, that you will not make a grand gesture to satisfy your critics, to prove to them that they are wrong about your integrity or the absence of a conflict of interest.

I think that you will make decisions, be they cuts in troops or personnel or weapons systems or changes in mission, that will give the United States the best Armed Forces that we can produce to deter conflict at any level and to defend this country against what cannot be deterred.

I thank the chairman and the ranking member for the professionalism that they have demonstrated in conducting these hearings. And I believe, Senator Tower, this may be the last opportunity that I can address you as Senator and not as Secretary.

Thank you.

Chairman NUNN. Thank you, Senator Cohen.

I believe that Senator Shelby is next.

Senator SHELBY. Thank you, Mr. Chairman.

Senator Tower, I hate to keep on recapitulating, but it is what we have been doing a lot of. I want to ask you again for the record: Do you have any future earnings deferred from any of your former contractors, defense contractors, like a pension or stock options, anything like that?

Mr. TOWER. None.

Senator SHELBY. Absolutely none?

Mr. TOWER. None.

Senator SHELBY. And you have no continuing relationship with them? It was severed in December?

Mr. TOWER. As of December 1.

Senator SHELBY. You said a minute ago, I believe, that you hoped you would be judged on the basis of your performance as Secretary of Defense. That is basic for anything. I hope you will be judged on your performance and I hope it is going to be an outstanding performance.

I know we have gone through an exhaustive inquiry here and have touched on a lot of things. But you know, of all people, having sat on this committee and having chaired this committee, how important and how sensitive the job is that you have been nominated to perform.

I appreciate your patience and your candor before the committee. Thank you.

Chairman NUNN. Thank you, Senator Shelby.

Senator Wilson.

[No response.]

Chairman NUNN. Senator Wallop.

Senator WALLOP. Mr. Chairman, just let me add to what Senator Cohen has said. It has been my privilege to have known John Tower for a dozen years or more. I have traveled with him to the Soviet Union and to Europe. I have seen him in Geneva as a negotiator.

I have argued with him on the floor, had major disagreements with him. He is a man who has been in my respect even at the moment when I find myself in disagreement.

One thing I have admired is a man who still, after all these years and a good deal of adulation and respect, has enough integrity to listen to and to weigh arguments and even on occasion to change his mind when presented with an argument that is superior to that on which he is operating.

I do not think this Congress can ask much more—a man of integrity, a man of intelligence, a man of great devotion to the survival of free peoples and this Nation.

I said yesterday that I was dismayed by charges brought in public by people who could have chosen to bring those charges to the attention of the committee in executive session. I said yesterday that the television cameras would record the innuendo and the suspicions and the other kinds of things, and they would not record the fact that no substantiation of consequence appeared in private session.

I am here today to tell you, sir, that in my opinion I was correct in the assessment that I took of what had taken placed yesterday. I heard nothing over the course of yesterday in executive session that would tend to make me change my mind about your capability and fitness to serve in this office.

I will be happy to say that I, for one, will be voting to confirm you.

Chairman NUNN. Thank you very much, Senator Wallop.

Senator Dixon.

Senator DIXON. Senator, as I indicated to you in our executive session earlier, nothing that I have seen or heard regarding the question of personal impropriety in your past in my view is of the breadth or depth to cause one to shrink from supporting your nomination.

I do not say that there are not some uncomplimentary things that have been said by some who I think are of decent personal reputation. But as an old trial lawyer, I would have to say that nothing in that situation has impressed me sufficiently to deter me from supporting your candidacy, unless other matters might develop.

But as I indicated to you earlier, the one single thing that stands out that bothers me a little, and it is my sense that it bothers some others—I have heard this on the floor and other places—is the charge made against you by people of good reputation that you earned three-quarters of a million dollars or that you received three-quarters of a million dollars from defense contractors, and that there is not much evidence of work performance for that sum of money.

I would characterize it in the sense of the old television commercial: Did you earn it? You know, some have implied that that was kind of a financial reward to you for your past performance in the Senate and as chairman of the Armed Services Committee.

I want to clear the air on that because, frankly, there is some of that being suggested, and I consider that a matter of grave concern. I wonder first if you could orally respond to it now and then thereafter if you could document as best you can in writing for those of us on this committee what you consider to be the services you rendered to justify what I think the American public would see as a very substantial sum of money that was paid to you by these defense contractors?

Mr. TOWER. Senator, I think that is a highly appropriate question and one that should be asked and one that I should respond to. I went through a litany of the things that I did, but the litany does not tell you much about the quality of what I did. It is some sort of a quantification and not even an adequate quantification.

Being available at the end of a telephone for advice from someone who has some degree of experience and sophistication in a field is of value to people. Sometimes I think people do not fully comprehend that the advice of Washington insiders who have had a great deal of experience has a value. Management decisions are sometimes made on that advice.

So it is really hard to calculate. It is an intangible. It is hard to calculate, how much is it worth.

Senator DIXON. Could I interrupt you at that point, Senator?

Mr. TOWER. Yes.

Senator DIXON. First of all, can you give us in writing the best that you can of what you have performed for that sum?

[The information follows:]

Senator DIXON. Please provide a description of how time was spent consulting work for defense contractors.

Mr. TOWER. Tower and Associates were paid a flat retainer by its clients, and did not bill for, or keep track of, services on a hourly basis. Therefore a specific account of time spent in the service of clients is not available at any time to respond to client inquiries on both general and programmatic matters.

In effect Tower and Associates acted as a "Think Tank" in monitoring developments of interest to clients, analyzing papers, newsletters, the Congressional Record, government reports, interpreting and analyzing information in the public domain. Such areas of interest to clients included, but was not limited to:

(1) Economic and deficit forecasts;
(2) General budget matters;
(3) Analysis of trends within DOD Budget Accounts;
(4) Political and economic developments in Europe relating to trade and defense matters;
(5) Strategic and conventional modernization trends;
(6) US/Allied political, weapons modernization trends, and budget developments;
(7) Soviet political and military development and implications for their defense strategy.

These activities provided Tower and Associates a base of knowledge that was current, enabling the firm to respond quickly to general and specific client inquiries.

Man hours spent on clients' specific and programmatic requests were not on a regular per week basis, but rather concentrated over brief and irregular periods of time, in relation to the degree of client interest and the retainers.

Work spent by Tower Associates on all client matters on average exceeded 40 hours per week per person; proportionally, hours spent serving these specific clients tracked their contribution to total firm income.

Senator DIXON. And second, many of us here in our other lives as trial lawyers have earned some substantial fees. Can you say to me personally, to this Senator, that in good conscience you believe that the services you performed were sufficiently of value to have earned that sum of money totally independent of past services performed as a Senator?

Mr. TOWER. Senator, I believe that they were. I am confident that my services were of that value. As a matter of fact——

Senator DIXON. You understand that, while not using the term "bribery"—in fact, one of my colleagues on the other side specifically mentioned that term, and the reputable witness shrank from that characterization, but did say that he felt that somehow it was implicit that all the things you had done as chairman of the committee and other things in the past were why you were being paid this sum now.

Do you reject that?

Mr. TOWER. I do reject that, Senator. I do not believe that that is true at all. And there are a lot of programs that I championed in the Senate that were under contract to firms that I was not retained by after I left.

I do not think that anybody can validly suggest that that was the case. The only real rewards I got generally for what I did in the Senate were plaques, of which I have a number, and some of them I got while I was in the Senate and some of them I note going in the offices of a number of my other friends in the Senate, from various associations associated with the defense industry.

But I do not think, to begin with, in today's climate where a lot of spotlight has been focused on consultants and lobbyists and advisors and public relations people, that industries do not consider it prudent to retain somebody to do something for which there is no apparent value. And I believe that I gave value in terms of the advice that I gave.

Senator DIXON. Well, I thank you for that, Senator. One other question. I think my time is probably coming to a close. I thank the chairman for letting me ask one more question.

I am concerned. Two major bases in my State are being closed by the Base Closure Commission report. As chairman of the jurisdictional subcommittee on bases—Readiness, Sustainability and Support—I have asked the Department of Defense to make available to us all of the information that they have from the Commission hearings, including the working papers of the Commission and their staff, that was used to recommend closing certain bases.

In other words, they will assert Chanute is being closed because it does not have enough housing, for example, and we want to see the background material by which they came to that conclusion. For instance in the case of Chanute, not one member of the Commission or one staff member ever visited the base.

May I have your assurance that, should you be confirmed as Secretary of Defense, you will make all base closing documents available to this committee so that we can make sound judgments about the Base Commission's findings?

Mr. **Tower**. Senator, since I am not really up to speed on the work of the Commission, I know only what I have read in the newspapers about it. And I did approve of the concept of appointing the Commission, and——

Senator **Dixon**. Well, I do not have any quarrel with that. I lost that argument. But I want to get the information.

Mr. **Tower**. I do not know what information is available. I do not know what authority I have to make that information available, since it was an independent Commission. So I cannot give you—I personally would have no problem about releasing that information to you, but I am not sure that that information comes under my possession, because it was information compiled by a Commission which I think was independent of the direction of the Secretary of Defense. Now, I may be incorrect on that.

Senator **Dixon**. It has been turned over——

Mr. **Tower**. What I am trying to say is that I am prepared to cooperate with you in trying to get the information.

Senator **Dixon**. Thank you, Senator. May I interrupt simply to say that all of the reports of the Commission have been turned over to the Department of Defense. It was created by the Secretary of Defense, in cooperation with Members of Congress.

All of the reports, all of the subject matter, all of the information, all of the notations, everything, are now in the possession of the Department of Defense. Notwithstanding my request, not one sheet of paper or one piece of information has been given to this Senator so far.

Mr. **Tower**. Senator, I am highly desirous of cooperating with you, and why do not you and I have a discussion about this.

Senator **Dixon**. Thank you.

Mr. **Tower**. I would be glad to try and accommodate the Senator any way that I legally, ethically can.

Senator **Dixon**. I thank you.

Chairman **Nunn**. Senator Dixon, we will be having hearings on that, and I certainly think your request for information is entirely legitimate. We will have to get that information from some——

Senator **Dixon**. May I quickly respond, Mr. Chairman, only to say to you, sir, that you have been more than kind in cooperating. But the fact is, you would understand that any person who wants to question has to first have information at hand.

Chairman **Nunn**. Absolutely, I agree.

Senator **Dixon**. Thank you.

Chairman **Nunn**. I believe we are back to Senator Warner.

Senator **Warner**. Mr. Chairman, I will continue with the questions that you and I prepared together, just to close out a few ends.

Mr. Tower, I understand that you have submitted a bill to LTV for $3,415. Would you advise the committee what the bill is for, when did you perform the services, and will you recuse yourself, or how do you propose to handle LTV actions until this matter is resolved?

Mr. **Tower**. Aside from the recusal on C-FIN, which I have already indicated I would do, I expect that bill to be paid by the end of this week. It is an outstanding bill for expenses involved in various work for LTV.

I would be glad to provide the committee with the detailed billing on it, provide that for the record. I do not have it with me now and therefore cannot respond. But it is largely for staff time, telephones, travel expenses, general overhead, associated with work for LTV.

[The information follows:]

FEBRUARY 1, 1989.

Hon. SAM NUNN,
Chairman, Committee on Armed Services, U.S. Senate, Washington, DC.

DEAR SIR: You inquired as to my plans for participating in matters involving LTV Aerospace and Defense Corporation pending receipt of payment reimbursing expenses I incurred while performing consulting services for LTV.

As I stated during today's hearing, I expect that payment will be complete before the end of this week. Therefore, any question of appearance of conflict of interest that might arise because of the outstanding payment will soon be moot. Nevertheless, until receipt of that payment, as Secretary of Defense I will recuse myself from participating in any matters that may arise involving LTV Aerospace and Defense Corporation.

Sincerely,

JOHN G. TOWER.

cc: The Honorable John Warner.

FEBRUARY 7, 1989.

Hon. SAM NUNN,
Chairman, Committee on Armed Services, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: On Wednesday, February 1, 1989, I informed you of my intent to recuse myself, should I become Secretary of Defense, from any matters involving LTV Aerospace and Defense Corporation pending receipt of final payment for expenses incurred last year while a consultant for LTV. This is to inform you that such payment has been received and that recusal should no longer be appropriate.

Sincerely,

JOHN G. TOWER.

cc: The Honorable John Warner.

Senator **WARNER**. Will you recuse yourself from decisions involving that firm until this item is resolved?

Mr. **TOWER**. Well, as I say, I think the thing will be moot by the end of the week.

Senator **WARNER**. Other than the LTV amount, did you submit a bill to or receive payments from any other defense contractor clients after December 1, 1988, for services performed before your resignation? If so, have you been paid in full for those bills?

Mr. **TOWER**. I have been paid in full, other than the one that you noted, Senator, that was submitted to LTV. I received payment in full from everyone I have been associated with.

Senator **WARNER**. Are there any other amounts due you from any other defense or aerospace contractor?

Mr. **TOWER**. There are not.

Senator **WARNER**. Did you perform any services, billable or otherwise, for any defense contractor clients after December 1, 1988?

Mr. **TOWER**. I did not.

Senator **WARNER**. Your response to the committee questionnaire states that you will recuse yourself on suspension or debarment issues involving your former consulting clients. Did you intend to cover your clients, such as Maxwell Communications and, I will spell it, M-i-c-r-o-n-i-x——

Mr. **Tower**. Micronix.

Senator **Warner** [continuing]. And Astrotech, who were not involved in defense contracting matters at the time of your association?

Mr. **Tower**. I would be glad to include them, because I do not anticipate they will ever do any business with the Defense Department.

Senator **Warner**. You testified that your relationship with British Aerospace was solely with British Aerospace, Inc., the civil aviation subsidiary of British Aerospace, PLC. Did you intend that your partial recusal would extend to the British Aerospace, Inc., the subsidiary, British Aerospace, PLC, the parent company, a defense contractor, or did you intend to cover British Aerospace at all?

Mr. **Tower**. My intentions was British Aerospace—well, I can include British Aerospace, Inc. It is unlikely that they would be involved in any business with the Defense Department, but not impossible.

Senator **Warner**. On your SF-278, you listed the Gary Aircraft Corporation as a client of TEG during your membership in the firm. Gary Aircraft does engine repair work for the Air Force. Please describe the relationship between TEG and Gary Aircraft and your role, if any, in that relationship?

Mr. **Tower**. May I read from a prepared statement on that, Senator, because I had to go back and do a little research on that.

Gary Aircraft was a client of TEG Consultants, which stands for Tower, Eggars, and Greene. I did no work for them and made no contacts with the Government on their behalf. To the best of my knowledge, Gary Aircraft was a small Texas company that overhauled engines for the Air Force some 12 to 15 years ago.

Disputes arose, the Air Force contract was terminated, and Gary Aircraft filed for bankruptcy. Those disputes were aired in bankruptcy court and the Armed Services Board of Contract Appeals.

When the formation of TEG Consultants, Inc., was announced in mid-1987, the head of Gary, a Mr. Stewart, called Paul Eggars of TEG to ask his assistance in getting Gary and the Air Force together to work out a global settlement. TEG was paid a one-time fee of $20,000.

In the spring of 1988, Eggars wrote Jim McGovern, who put Eggars in touch with the Air Force general counsel. In May 1988, the Air Force general counsel wrote Eggars agreeing to make sure that Stewart met with the appropriate Air Force officials to discuss a settlement.

No such meeting ever occurred, and Stewart died some months ago. TEG's last contact with Gary was a letter dated October 19, 1988, from Tim Greene to Art Stewart, Jr., offering condolences for his father's death and telling him who to contact in the Air Force to discuss settlement.

Senator **Warner**. You have taken a number of steps beyond that required by law to deal with the issue of an apparent conflict of interest. One of those steps, however, may have inadvertently compounded the problem.

When you said that you would recuse yourself from suspension and debarment, it constituted at least a tacit admission that there was a conflict of interest perception problem with respect to your defense contractor consulting clients, thereby raising the question of why you did not recuse yourself from all other actions which are of vital concern to major defense contractors.

Mr. TOWER. I think should I recuse myself from all other actions, I would be partially paralyzed in my ability to function as an administrator or as an effective member of a collective decisionmaking process. Not being required by law to do so because there is no conflict, I think that would be sort of over-egging the pudding, so to speak, to go so far.

And too, it might set a standard which others would be expected to follow, which would further complicate the business of the Defense Department, because following the Nunn-Warner criteria, to get experienced people you have to go into industry to get them in many instances. You get some out of academia, some out of nondefense sectors. But I think that the Nunn-Warner criteria anticipates that you would get people who perhaps have experience in industry. As you know, I have just brought on board a deputy, or at least a deputy-designate, who has been associated with General Motors, specifically their subdivision Hughes, which does have substantial business with the Defense Department.

We are currently looking for a good Under Secretary of Defense for Acquisition, who will probably also come out of industry and have some experience. And beyond that, in subordinate positions that deal with acquisition or deal with the management of the Department, we will no doubt look to industry for people with experience.

Now, if you start compounding and aggregating all of that and force everybody to recuse when they no longer—when they have no legal conflict of interest—I think it would complicate the business of the Department enormously. And to obviate that, you would have to go to people that had no experience in the industry, and then I do not think you could measure up to the Nunn-Warner criteria, quite frankly.

Senator WARNER. We recognize that, Senator Tower. And it seems to this Senator, just speaking for myself, that you and your colleagues as you put your team together just have to recognize that there is this public perception, which we have dealt with extensively during these hearings. And having spent 24 years in the Senate and on this committee, you recognize that problem.

You will just have to do the best you can as you conduct your affairs and make your decisions to make them open to the public, so they in turn can judge your actions and hopefully gain a greater measure of confidence and credibility in your team.

Mr. TOWER. One of my overarching objectives, Senator, is to restore public confidence in the Department of Defense. And I intend to put together a core team of men of great integrity, men of experience. And by our performance we will be judged. And I hope by the reforms we can implement and by whatever changes or fine-tuning needs to be done in the acquisition process, we can restore public confidence.

And I think that will obviate any problem of appearance.

Senator **Warner**. As you said put together a team of men, you meant men and women, because you and I have discussed it.

Mr. **Tower**. Men and women, and I anticipate having women. I use "men" in a very broad, generic sense, like "mankind."

Chairman **Nunn**. Thank you, Senator Warner.

Senator Gore.

Senator **Gore**. Thank you very much, Mr. Chairman.

Senator Tower, I pursued some of the matters that have been discussed here in executive session, and I am not going to go back through any of that here. I do want to pursue the line of questioning that has just been developed, on the appearance of conflict issue.

First of all, just to get the facts straight in my mind, you did not earn any money as a consultant from the time you left the U.S. Senate until the time you completed your work as our START negotiator in Geneva, is that correct?

Mr. **Tower**. That is correct, Senator. I received no income from any source, with the exception of a little investment I had in a piece of drilling equipment, and that was the only outside income that I received during the entire time that I was involved as the START negotiator.

Senator **Gore**. Now, you completed your tour as the START negotiator in April 1986, correct?

Mr. **Tower**. April 1, 1986.

Senator **Gore**. And your contracts as a consultant began April 1, 1986?

Mr. **Tower**. I think most of them began after that. I think that only my association with Astrotech began on the 1st of April. All others began on a subsequent date. It could have been several weeks thereafter.

I think we provided for the record the effective dates of my——

Senator **Gore**. I think, that is correct.

Mr. **Tower** [continuing]. Retention by these companies. I do not believe any of them started that early. But it is a matter of record.

Senator **Gore**. I did not mean to imply that they did. But it is an important point, because what you are saying indicates that you began your conversations with them after you left your role as negotiator. Now, how many companies are involved in all?

Mr. **Tower**. Actual defense contractors, four, I believe.

Senator **Gore**. Four?

Mr. **Tower**. Just a minute. I will give you the actual count. Well, just to tick them off, LTV, Martin Marietta, Textron, and Rockwell International.

I was also retained by consulting firms that represented defense contractors, and that would be Hicks & Associates, and Jefford McManus International, Inc.

Senator **Gore**. The law does not require you, as I understand it, to recuse yourself in matters involving a company with which you have had a prior financial relationship. The law is directed, as it is currently written anyway, at relationships between a Government official and a company with which they have ongoing financial ties. I believe that is the letter of the law.

Some have gone beyond that and some have argued the law should go beyond that. But what is left is the issue of appearance.

Now, you have said that, because of the issue of appearance, you will recuse yourself in certain limited instances where the questions of suspension of the questions of debarment are involved, is that correct?

Mr. TOWER. Right.

Senator GORE. What is the basis for that distinction? I do not quite understand that. You are not required to do even that by law.

Mr. TOWER. I am not required to do that. But of course, I have had personal contact with senior officers in those companies, so that would be one aspect of it.

Too, suspension and debarment has pretty broad application. It means that the parties involved are not permitted to do business with the Federal Government. I understand it is Government-wide. It is not restricted only to the Defense Department.

It is a matter of infinitely greater seriousness in my view than a decision on whether or not to opt for or against a particular program that a company might be producing.

Senator GORE. So your theory is that in those instances you feel that your personal relationships with the officials involved——

Mr. TOWER. That involves punishment.

Senator GORE. I see. And because they have paid you and because you have become friends, you feel there might be an appearance of——

Mr. TOWER. More likelihood of appearance because of my association with these people personally.

Senator GORE. All right. Now, let us say that one of these same officials is involved in a competition for a defense contract that might mean $20 million for his company, and the other company trying to get the same contract has never retained you as a consultant and does not have executives who are personally familiar with you on a friendship basis.

The decision on who gets the contract comes to you. Are you comfortable making that decision?

Mr. TOWER. In the first place, it is unlikely that that decision would have to be made by me. There are certain criteria established. Originarily the service Secretaries are the ones most active in the selection process. And as you know, contracts are awarded on the basis of certain established criteria.

It is rare that all other things are equal, therefore you have to make a clear choice between one or the other based on absolute quality. It is a highly unlikely situation.

I think that the more likely situation is perhaps determining whether to opt for one program or another, both of which perhaps have already been contracted for in the R&D stage, possibly even in the development and production stage.

But again, I submit that, absent a legal requirement, that would be taking the decisionmaking process—I mean, eliminating me too much from the decisionmaking process in terms of prioritizing systems, what we need, what we do not need, and where we can make economies, and where we perhaps should tailor the acquisition process to fit roles and missions, to fit strategy.

Senator GORE. I know my time has expired, but if I could just finish this line of questioning very briefly, Mr. Chairman.

Mr. **Tower**. Suspension and debarment does not impact, you see, on choices of programs.

Senator **Gore**. I understand the basis for the distinction. I did not earlier. I do understand the basis for the distinction.

But can you conceive of one of those cases, which you said would be rare and unusual, that worked its way all the way to the desk of the Secretary of Defense, where a personal friend who had retained you as a consultant was in competition with someone with whom you did not have such a relationship and had not retained you as a consultant, where your personal decision would make the difference?

Can you conceive of such circumstances separate and apart from suspension and debarment, where you might feel that you ought to recuse yourself?

Mr. **Tower**. I think that such a situation is highly unlikely, and I would be loathe to respond to any hypothetical question. You have not really posed a hypothetical question.

Senator **Gore**. I have tried to.

Mr. **Tower**. It is somewhat of a hypothetical question. But what I will say is that I will look at any instances where there would be apparently an overwhelming appearance.

Senator **Gore**. Yes.

Mr. **Tower**. Or just a very clear appearance, and make a judgment, an ad hoc judgment, on each individual case that might come before me like that as to whether or not, for the sake of appearances, to recuse myself.

Senator **Gore**. All right.

Chairman **Nunn**. Senator Gore, your time has expired.

Senator **Gore**. May I have 15 more seconds, Mr. Chairman, just to summarize?

In addition to cases of suspension and debarment, on an ad hoc basis in unusual cases you would consider additional recusals. That is my understanding, by way of summary.

Thank you, Mr. Chairman. Sorry to go over.

Chairman **Nunn**. Thank you, Senator Gore.

Just for the record, the Department of Defense is very careful about not labeling suspension or debarment as punishment, because that kicks in all sorts of due process questions which are very technical. So I think the record ought to reflect that they do not view it as a question of punishment, but a question of whether or not the contractor is responsible enough to be able to take on additional burdens.

Mr. **Tower**. That is right, and with the chairman's permission I will withdraw the use of the term "punishment." It is punitive in a sense, in that obviously that party is unable to do business with the Government, not in the criminal sense.

Chairman **Nunn**. I suspect after the new Secretary of Defense consults with his new general counsel, he will probably not use that term.

Mr. **Tower**. I will not even use the term "punitive." I withdraw those terms until I consult with counsel.

But anyway, it is one heck of a burden for them to carry.

Chairman Nunn. It is quite onerous to have one's company deemed not responsible to have further DOD contracts, I would agree.

Senator McCain.

Senator McCain. Thank you, Mr. Chairman.

Senator Cohen, I would like to go back to this issue—excuse me, it is Senator Cohen next to me; I get you two confused—I would like to go back to the issue of appearance.

How old are you, Senator Tower?

Mr. Tower. I was born in 1925. I am 63.

Senator McCain. And at age 17 you enlisted in the Navy, is that correct?

Mr. Tower. I signed up in the Navy when I was 17 and was called up just before my 18th birthday.

Senator McCain. Do you remember what your salary was?

Mr. Tower. $21 a month.

Senator McCain. After the war, you then took advantage of the GI bill?

Mr. Tower. I did take advantage of the GI bill.

Senator McCain. For an education. And then your next real employment was as a professor?

Mr. Tower. No. I was a radio announcer for a couple of Texas radio stations.

Senator McCain. And the pay there was?

Mr. Tower. At KFDM in Beaumont, I was paid $35 a week. I subsequently went to work for station KTAE in Taylor, TX, and I was paid—I got an enormous increase, a real inducement for me to go there—I was paid $50 a week.

Senator McCain. And then somehow you ended up as a professor. That qualified you in Texas to be a professor? [Laughter.]

Mr. Tower. No, that was hardly qualification.

Senator McCain. But as a professor, what was your salary?

Mr. Tower. Sir, the last year I taught I had a full 15-hour load, that is to say 15 hours a week, 15 hours a semester. And the last year I taught, my salary was around $6,000 a year, per annum.

Senator McCain. After you came to the U.S. Senate and were here for approximately 24 years, you left in roughly the same financial status in which you arrived, perhaps in real terms a bit less wealthy?

Mr. Tower. I think I had probably gotten out of debt by the time—I had gotten out of debt by the time I left the Senate and was pretty well even with the world. I owned a little less property than I had before.

Senator McCain. Given the rules of the Senate, at least when you first arrived in the Senate, it was fairly easy to earn outside income at that time, is that correct?

Mr. Tower. There were far fewer proscriptions on Members of the Senate in those days than there are now, and for Members of the House. As a matter of fact, there were very few proscriptions.

Senator McCain. And there were many Members of the House and Senate who indeed did avail themselves to outside work and thereby gain outside income?

Mr. Tower. Yes, that is true.

Senator McCain. Shortly after you left the Senate you were asked by the President to be part of the negotiating team in Geneva?

Mr. Tower. That is right, 15 days after I left, January 18, 1985.

Senator McCain. For which you were paid?

Mr. Tower. For which my salary was $73,500 a year.

Senator McCain. And then for the previous 2 years——

Mr. Tower. But in effect I was working for about $35,000 a year, because of my pension, and we have the anti-double dipping law that prevents double dipping.

Senator McCain. So your real income was about $35,000 a year?

Mr. Tower. No, my real income was about $73,500. But what I am saying is that the Government paid me a pension regardless of whether or not I worked, so I was coming back in effect at that, and had no opportunity to earn any additional income.

Senator McCain. How long did you work in the consulting business before this appointment?

Mr. Tower. From the late spring of 1986 to December 1 of 1988.

Senator McCain. A little over a year and a half.

Mr. Tower. Yes.

Senator McCain. So of your 63 years, approximately a year and a half was spent——

Mr. Tower. Two and a half, from mid-1986 to late 1988, 2½ years.

Senator McCain. So that has been a period of time where you have spent your endeavors in enriching yourself and increasing your income substantially?

Mr. Tower. It did increase substantially, Senator, that is true.

Senator McCain. Thank you very much, Senator Tower.

Thank you, Mr. Chairman.

Chairman Nunn. Thank you, Senator McCain.

I believe we are back to Senator Exon.

Senator Exon. Thank you, Mr. Chairman.

Senator Tower, this matter of appearance of conflict of interest has been talked about a great deal. Let me try and ask you about it in a little bit different fashion. You have testified that you had contracts or had been retained by four defense contractors and, in addition to that, some consulting firms who dealt with defense contractors, is that correct?

Mr. Tower. That is correct.

Senator Exon. Of those contracts that you had or contracts of understandings, did you when you were in the consulting business go to any of these firms and solicit their retaining you? And I say that with the four major contractors and any of the consulting firms.

Or was it a situation where in every instance they came to you and solicited your expertise? Or was it a combination of the two?

Mr. Tower. In every instance, they solicited me.

Senator Exon. In every instance they solicited you?

Mr. Tower. Yes. I did not go to them and say, "I would like to work for you or I would like to be a consultant for you." They initiated it in every instance.

Senator Exon. We had some testimony yesterday——

Mr. TOWER. And a couple of firms talked to me and I did not associate with them. One talked to me just before I had accepted the chairmanship of the President's Special Review Board and I was about to enter into a contractual relationship with them, but did not because I took on the responsibility of the Special Review Board and felt I could not take on an additional client.

Senator EXON. We had some testimony yesterday that was in the supposition category, I think, that there could have been arrangements or understandings for past favors that you had rendered to some of these companies.

Mr. TOWER. There were never any such understandings. I never accepted any association with any contractor with any suggestion that that was the case.

Senator EXON. It was also suggested in testimony yesterday that some of these consulting firms may have had contracts or arrangements with you since you had previously indicated your interest in becoming Secretary of Defense and they were protecting themselves or betting on the future.

Was there any such talk, directly or indirectly, with any of these companies or the sub-consultants?

Mr. TOWER. Never, never any such discussion or such talk. As a matter of fact, I suggested to one or two of my clients when I severed my relationship with them that I would bend over backward not to exhibit any favoritism.

And so I do not think I am of any continuing value to any of those that I have associated with.

Senator EXON. Could we then dismiss those kinds of suppositions? They may not have been charges, but they were at least suppositions.

Mr. TOWER. That is supposition, Senator, and I reject it.

Senator EXON. Thank you.

I have no further questions at this time, Mr. Chairman.

Chairman NUNN. I believe Senator Gorton is next.

Senator GORTON. Senator Tower, I would like to make a change of pace. I would like to ask you one question on a matter of substance.

I have had an abiding interest in the Uniformed Services Treatment Facilities, the USTFs. The late Scoop Jackson and I sponsored an amendment in 1981 which, with this committee's approval, designated 10 former public health service hospitals across the country as USTFs, four of which are in your own State of Texas.

The amendment authorized these facilities to continue to serve military beneficiaries and their dependents after the public service hospital system ended. The authorization has been extended three times by Congress. The most recent extension was enacted last year and extends the program until December 31 of next year.

Since the passage of the Jackson amendment, these facilities have been exceedingly popular with the patients they serve. I have heard from many of my own constituents praising the USTF in Seattle, the Pacific Medical Center.

The hospitals and clinics, however, have frequently outperformed other comparable military health care options. The USTFs have provided high quality health care, and both the Department and the GAO have concluded that they are very cost effective. They offer an excellent, innovative approach to assuring that the health care we provide our military and dependents is the best possible.

Despite their success, the USTFs have not always found the Department to be cooperative. The managers of the USTFs have often expressed frustration at the Department's lack of cooperation and believe that DOD's approach has caused significant instability for the facilities since their creation.

Language in the current DOD appropriations bill acknowledges the cost effectiveness of these facilities and urges the Department to cooperate closely with the USTF facilities over the next 2 years.

I would like your comments as to whether or not we can count on you to assure that the Department personnel who oversee the USTF facilities cooperate with those who manage them and work with them to find a more satisfactory relationship. And given their documented cost effectiveness, will you be willing to consider integrating them permanently into the military health care delivery system?

Mr. TOWER. Senator, this is the first time this has been brought to my attention, and I must confess that I am not up to speed on that subject and am not familiar with that program. So I hope you will not press me for an answer now. I could not give you a definitive answer because this is my first knowledge of it and I do not want to give you a precipitous answer.

But I certainly take note of your deep concern and will try to respond to you in a satisfactory way at the earliest possible time.

Senator GORTON. I would appreciate that answer.

I have just been passed a note by my distinguished colleague from Maine saying that in Maine, at least, it is known as the Cohen-Jackson amendment. [Laughter.]

Thank you, Mr. Chairman.

Senator LEVIN [presiding]. Thank you, Senator.

Senator Tower, there has been a great deal of discussion about the appearance issue when you will be making decisions that could impact on former clients. You have gone into that in some detail. The appearance issue that I began to discuss with you is the reverse, which is when people leave Government service and then go and advise private clients. It is kind of the other side of the revolving door, and I want to pursue that with you further.

You were a chief negotiator to the START talks, an ambassador to the START talks. As I understand it, you resigned in April 1986 from that position. After your resignation you began to advise clients on the probable outcomes of those ongoing talks as it might affect the product developments of those clients.

You have given us a list of a number of those clients. I believe four of them are direct defense contractors. LTV was advised after a visit on the impact of INF on its systems research and development. Martin Marietta was met with by your staff to discuss the implications of the INF Treaty and current START talks for the firm's future product development, and so forth.

I believe there is an appearance there that we should address in law and in some way.

Mr. TOWER. Let me say, Senator, that was all enlightened guesswork on my part.

Senator LEVIN. It was enlightened?

Mr. TOWER. Yes, it was enlightened.

Senator LEVIN. And the appearance issue is that the enlightenment was based on what you knew in your position as the ambassador to those talks or as the chief negotiator. There is an appearance there that you were profiting by giving advice based on information relative to those ongoing negotiations that you had access to which was not publicly available. I think that would be a commonly acknowledged appearance problem.

Mr. TOWER. I did not convey anything to them that was not already in the public domain, Senator.

Senator LEVIN. What I am talking about is that there is an appearance, I think that would be commonly held, that you were in a position to convey enlightened information. I am not suggesting you did. I am talking about an appearance.

Having come directly from negotiations which were ongoing, highly confidential, privileged negotiations, you were then advising clients on the impact of those negotiations on their products.

Mr. TOWER. Could I interrupt at this point, Senator?

Senator LEVIN. I am only talking about appearances, if I could finish.

Mr. TOWER. Senator, if I just may say, I was not privy to the negotiations after I departed because the negotiations are carried on under a rule of confidentiality and therefore the only information available to me was in the public domain.

Senator LEVIN. Yes, but were you in possession of information as to our bargaining positions when you were the negotiator?

Mr. TOWER. Yes.

Senator LEVIN. So you would know—there may be very few people in the world——

Mr. TOWER. Again, I could deal only with what was in the public domain.

Senator LEVIN. I am not talking about what you dealt with. I am talking about the appearance that exists when somebody who is in possession of confidential information leaves that position and then goes and advises private clients.

I think in the common mind, in my mind, that creates an appearance problem. And the question is, how do we address that appearance problem in legislation? I think there must be some recognition that that creates a problem.

My question to you is really twofold: Do you not see that there is an appearance problem in that situation?

Mr. TOWER. There might be an appearance problem, although I do not believe that there has been any specific charge that I, in any unethical way, used my experience to serve my clients.

I think you have to look at it two ways. Certainly you want to avoid the appearance. In my view, we want the people to have confidence in their public institutions, not just confidence in the Defense Department or in the executive branch, but confidence in Congress as well.

I can remember when I was in Congress—maybe it has improved since I left—but in some sort of poll that was taken Members of Congress had approximately the same standing as used car salesmen in the public estimation. That was not my poll. That was one that was taken and somebody put it in the record at one time.

Chairman **Nunn** [presiding]. I think that was the high point. That was probably the peak of our popularity. [Laughter.]

Mr. **Tower**. But anyway, we do have to be concerned about public perceptions because I think the essence of what is required for democracy to succeed is public confidence in its institutions, popular confidence in public institutions, stated better.

And so I would agree. I think you also have to look at what you do in the light of what kind of inhibiting effect it might have on your ability to recruit very talented, skillful, professional people into Government positions. You could draw it so tightly, for example, that you might discourage nuclear scientists or engineers from making themselves available for Government service.

You might precipitate an exdous, say, of nuclear engineers from the Navy—I am just trying to cite an example of what could happen—that would leave before the effective date of the legislation or something like that. I think you have to consider the impact on the ability of Government to recruit talented people, particularly people that are relatively young, say in their 30s or 40s, who might not want to make a career of Government, but spend some time in Government, but still have a lot of career time left to them after they get out.

I am just suggesting factors that have to be considered at the same time that you are trying to deal with the business of appearance—not just appearance, but real conflict as well as appearance of conflict—in terms of the outer passage from the revolving door.

Senator **Levin**. I have some additional questions, but my time is up.

Chairman **Nunn**. Could I follow up with just one hypothetical question on that. Let us assume that you are Secretary of Defense, and let us assume there is a negotiating position that works its way through the bureaucracy that is a bottom line fallback eventual position that is not made public, that is highly classified, and that is not made available to the Soviets, but the negotiating team knows about it because they helped formulate it.

And let us assume that a particular weapons system, let us say the MX or the cruise missile or any other weapons system, was going to eventually be on the table for elimination as a swap for a Soviet elimination of a similar system.

And then let us assume that someone gets away from that position and goes into private endeavors. Would it be appropriate for someone who had knowledge of that bottom line American negotiating position that is confidential to advise a client in the business of producing that system that they should be very careful about how much they invest in that because it eventually could be endangered?

Mr. **Tower**. The trouble with that hypothesis, Senator, is that in negotiating what you deal with are numbers of warheads, throwweight, sub-limits, how many warheads can be included in a certain kind of system. You do not deal with the elimination of a specific system ordinarily.

Chairman **Nunn**. We did in INF. We got rid of two.

Mr. **Tower**. Well, that is if you go to zero. Now, it is unlikely we are going to go to zero in strategic arms reduction talks. I do not think anybody predicts we are going to zero.

Chairman **Nunn**. But we might in one system.

Senator **Levin**. How about mobile missiles?

Mr. **Tower**. I think what you should think about more is our residual force, because it will be then the collective decisionmaking process here, not only that determines what your negotiating position is going to be in Geneva, but also determines what your residual force is going to look like once such an agreement is made.

Chairman **Nunn**. My question is, would it be appropriate for someone to leave the negotiating team that had inside knowledge of the fallback position and discuss that with clients on a paid basis?

Mr. **Tower**. It would be possible, but I think that anyone who did so would do so at his peril, because that is very privileged information.

Chairman **Nunn**. So it would be wrong to do that?

Mr. **Tower**. It would be wrong to do that.

Chairman **Nunn**. Would it be wrong to give advice, not giving the negotiating position to a client, but to give advice that really was based on that knowledge?

Mr. **Tower**. Now you are getting into some intangibles here. It is a pretty grey area and it is kind of difficult to come up with a conclusive answer on that.

Let me say that I do not believe that I ever did anything or gave any advice that was improper. And as I say, I was not privy to those negotiations after I left, because they are done in a climate of confidentiality. And all I was saying is, if the outcome is so-and-so, this is how it is likely to impact.

And that was pure speculation on my part, which could prove to be inaccurate because START has not been concluded, nor has space defense. So the outcomes have not been decided.

Chairman **Nunn**. Thank you.

Senator Cohen.

Senator **Cohen**. Just a few points. Senator Tower, when you are acting as negotiator, where do your instructions come from?

Mr. **Tower**. They come from the President of the United States.

Senator **Cohen**. And with respect to the START negotiations, I think it is fair to say that they are still ongoing. There have been no conclusions reached.

Mr. **Tower**. Right.

Senator **Cohen**. And would it be imprudent for you or anyone else——

Mr. **Tower**. But in the public domain, it is indicated that there are some tentative areas of agreement between the United States and the Soviet Union. There are still some very serious outstanding differences.

Senator **Cohen**. Well, there is also another potential difference, and that is if the administration concluded an agreement with the Soviet Union pertaining to START in terms of warheads, sublimits, and so forth, you still have the House and Senate that must do the appropriating for those systems.

Mr. **Tower**. You also would have to authorize and appropriate funds for the systems.

Senator **Cohen**. You also have the Senate which must ratify such a treaty, not to mention authorizing and appropriating for the weapons systems themselves. So there are quite a few contingencies, making it difficult to advise a client with any degree of certainty or certitude about what weapons systems that company should or should not produce.

Mr. TOWER. Well, in the aftermath of an agreement there would probably be a lot of fine-tuning on your force structure. You cannot predict how that would come out.

Senator COHEN. I think Senator Levin raises an important issue in terms of how to come to grips with the revolving door. We heard testimony, I think during the first week or so, about what Dave Packard lost having come into public service—I cannot recall the figure but I think it was something like $37 million—as a result of having to convert to blind trusts and so forth.

On the one hand, we certainly impose quite prohibitive restrictions on people coming into office who have any kind of accumulated wealth, and we want to make sure that we do not preclude them from public service. On the other hand, we want to make sure that we do not impose another burden when they leave, so that coming in they make a sacrifice and going out they make another sacrifice, to the point where we discourage some of the best and brightest and most committed people from entering public service.

It is not an easy issue to deal with, and I think that is why Senator Levin and others are struggling: how do we pass legislation that will inhibit this kind of activity, or even the appearance that somehow people are trading improperly off information that they have acquired in public service?

It is not an easy issue. It is not black and white, and I think we have to proceed very carefully. And I think that Senator Levin and others have been struggling with this issue for at least 8 or 9 years, maybe longer.

Mr. TOWER. Senator, I have already had some experience with this in my early efforts to recruit people for the Department of Defense, and I have been turned down specifically by some very talented people who say: "Wait a minute, I have to pay too big a price when I go back out; I cannot even engage in my profession because the only area in which my profession is employed is in defense-related industry."

An aerospace engineer, for example, might go to work for the commercial division of one of the major aircraft producers. But there still, he still runs the risk of running afoul of conflict of interest rules.

Senator COHEN. I have no further questions, Mr. Chairman.

Chairman NUNN. Thank you, Senator Cohen.

Senator Gorton, do you want another round?

[No response.]

Chairman NUNN. Senator Levin.

Senator LEVIN. Senator Tower, this is a complex area that a number of us have been troubled by. But it seems to me that we have got to start with the premise that there is a troubling appearance that exists in the situation which I described to you and which Senator Nunn described to you. If you do not start with that, then you do not even struggle to reach a solution, if there is one, which I think there is. So I want to come back to that. At one time, you described your advice as advising clients on probable outcomes.

Senator Cohen pointed out that there are still some uncertainties and unknowns, and indeed there are lots of them. What would the Senate do if we ever got a treaty? What would the treaty contain if it was finally negotiated? There are lots of uncertainties.

But there are also some knowns as well as some unknowns, and our negotiators are in possession of these knowns. That is what creates the appearance, it seems to me. When a negotiator from an ongoing negotiation leaves and then begins to advise people who have a very heavy stake in the outcome of those negotiations, that to me creates an appearance problem which is very clear. The solution however may not be clear.

I would agree with Senator Cohen, by the way. The solution may not be clear. When someone in possession of information not publicly known then advises private clients who have a very heavy outcome in those negotiations, an appearance problem is created which to me is obvious.

Again, would you not at least acknowledge that there is a significant appearance problem in that situation? Putting aside what the solution is for a minute and not suggesting that you violated any ethical or legal norms, I am just asking you, is there not in your view an appearance problem in that situation?

Mr. TOWER. I do not run into any appearance problem as far as negotiators or former negotiators are concerned. I think there is certainly an appearance problem as far as DOD is concerned.

Now, you might want to make revolving door proscriptions that apply to DOD employees or personnel also apply to the State Department as well or to the Central Intelligence Agency. I think you have got to go into a pretty broad sweep here when you get into the total national security process. That involves not just people in DOD.

It does involve negotiators, people who are diplomats. It does involve people involved in the intelligence community. In some instances it might involve people in the Treasury Department or some other departments that might have peculiar interests, the Department of Energy, for example, that is responsible for nuclear weapons production. So then you are getting out pretty broad.

I think it is a difficult problem. You do want to avoid appearances. How do you legislate intelligently on it, to at once avoid appearances and still not discourage qualified people from entering government service? I think therein lies a bit of a dilemma.

Certainly I am glad to work with anybody to try to work out a solution to that problem.

Senator LEVIN. The beginning of the solution, though, is to recognize the problem.

Mr. TOWER. I have already said I recognize the problem of the appearance.

Senator LEVIN. No, the appearance in that situation. In your situation, do you see that there is an appearance problem, when the chief negotiator, an ambassador to START talks, then leaves those talks and advises clients who have a very heavy stake in the outcome of those talks? In that situation, without suggesting any impropriety in actuality, without suggesting in the slightest that you advised them of confidential or privileged information, just the fact that you are advising them, as you put it, on probable outcomes of those talks, do you see an appearance problem there? That is my question.

Mr. TOWER. I do not see it, Senator, because the question has not been raised until now. Nobody has ever questioned me on that before now and I have not really seen any press commentary on that.

Senator LEVIN. Did you get any advice or consult with the State Department legal counsel or ethics officer relative to advising private clients relative to the impact of ongoing START negotiations on product development? Were there any directions to you or any advice or consultation on that issue?

Mr. TOWER. I did not give them advice on product development. I gave them really sort of academic speculation on what was likely to happen, something they could have gotten from the Georgetown Center for Strategic and International Studies, from people who formerly were involved in the State Department involved in arms control issues.

There are any number of think tanks in town which would provide far more in-depth stuff then I could, by people who have had the same or greater experience.

Senator LEVIN. I am just reading from your document. You say your staff met with the senior R&D and product managers of Martin Marietta on the implications of the INF Treaty and current START talks for firm's future product development. That is what you told us you did.

Mr. TOWER. No. I would say it may or may not result in decisions on product development. In this particular instance, it might.

Senator LEVIN. At any rate, there was no direction to you or advice or consultation with you from any State Department legal officer or ethics officer relative to advising private clients on the probable impacts of ongoing INF or START negotiations?

Mr. TOWER. Now, if I had made contacts with the State Department on their behalf, that would have been one thing. But I never did that. I never made any contacts to the State Department, to negotiators, to the Defense Department, on any of these.

This is purely academic speculation, again the same sort of thing they could get from the Center for Strategic and International Studies or any other group.

Senator LEVIN. Well, maybe my question is not clear. My question is whether or not you received advice from anybody in the State Department on the extent to which you could advise private clients?

Mr. TOWER. I did not see the necessity to, Senator.

Senator LEVIN. My time is up. Thank you.

Chairman NUNN. Senator Warner.

Senator WARNER. Mr. Chairman, I would like to cover one other area which is of importance to the committee.

Senate Rule 38 provides that campaign contributions may not be converted to the personal use of any Member or former Member. When you retired from the Senate in January 1985, your political campaign committee, known as the Tower Senate Club, had cash in hand in the amount of $465,858. How did you ensure that those funds were managed in accordance with the law?

Mr. TOWER. They were managed by a small board. It was managed actually by one person, who retained the services of an accountant who dealt with political accounts and was familiar with the FEC proscriptions. I had no direct control over that fund myself. I submitted bills and vouchers and things of that sort for payment, usually directly to the billor.

That is how it was run. It was subject to FEC audit and we complied, or it complied, with all of the FEC regulations.

Senator WARNER. I would like to put that clearly on the record. Have you complied with the expenditure and reporting requirements of the Federal Election Campaign Act?

Mr. TOWER. I have.

Senator WARNER. Have you complied with the prohibition against conversion of funds for personal use?

Mr. TOWER. I have.

Senator WARNER. Have you used any of the funds in the Tower Senate Club for any improper purpose?

Mr. TOWER. I have not.

Senator WARNER. We will have some additional questions for the record on that.

[The material referred to is retained in the executive files of the committee.]

Mr. TOWER. Senator, at this point I would like to submit for the record a memorandum to me from Clendon Lee of the Select Committee on Ethics of the U.S. Senate on the use of campaign funds. I solicited this letter from the committee when I left the Senate to make sure that I stayed within the proscriptions of what the Campaign Act and the Senate required, and I followed those guidelines. The administrators of the fund followed those guidelines in the further disbursement of those funds.

I would like to submit that for the record.

Senator WARNER. Without objection.

My understanding, having looked at that document, is that it corroborates your responses to the questions I propounded. Is that your conclusion?

Mr. TOWER. Yes, Senator.

Chairman NUNN. Without objection, it will be part of the record

[The information follows:]

U.S. SENATE,
SELECT COMMITTEE ON ETHICS,
Washington, DC, January 25, 1985.

Memorandum for Senator Tower.
From: Clendon Lee.
Re Use of Campaign Funds.

In response to your question, Senator Stevens asked us to outline how a Member or former Member may use excess campaign funds.

The Federal Election Campaign Act allows an individual who has received campaign contributions to use those contributions "to defray any ordinary and necessary expenses incurred in connection with his or her duties as a holder of Federal office" (2 U.S.C. section 493a). This same section also provides, in a clause added in 1980, that no individual may convert campaign funds to his personal use unless he was a Member of Congress on Janaury 8, 1980.

Senate Rule 38, however, provides that "no contribution . . . shall be converted to the personal use of any Member or former Member." Rule 38 was agreed to in 1977.

The Committee's position has been that the restriction established by Senate Rule 38 in 1977 is not repealed by the 1980 grandfather provision for Members of Congress. A former Senator therefore may not convert campaign funds to personal use.

Nevertheless, your recent appointment makes you once again a "holder of Federal office" and section 439a allows you to use contributions to defray any ordinary and necessary expenses you incur in connection with that office. In order for you to fit within the permission established by section 493a, and to avoid the "personal use" prohibited by Senate Rule 38, we suggest that any expenditure of campaign funds should meet two tests:

(1) it should be related to your performing the duties of your new Federal office, and not of performing or shutting down a non-Federal activity;

(2) the expense should qualify as a "trade or business" deduction recognized under section 162 of the Internal Revenue Code. If it does qualify, the expense would not be seen as a "personal use."

A copy of section 493a, and of Rule 38, are attached.

Attachments.

cc: The Honorable Ted Stevens.

or Vice President, each State in which an expenditure is made on behalf of the candidate; and

(B) for statements and reports in connection with the campaign for nomination for election, or election, of a candidate to the office of Senator or Representative in, or Delegate or Resident Commissioner to, the Congress, the State in which the candidate seeks election; except that political committees other than authorized committees are only required to file, and Secretaries of State required to keep, that portion of the report applicable to candidates seeking election in that State.

(b) The Secretary of State (or equivalent State officer), or the officer designated under subsection (a)(1) of this section, shall—

(1) receive and maintain in an orderly manner all reports and statements required by this Act to be filed therewith;

(2) keep such reports and statements (either in original filed form or in facsimile copy by microfilm or otherwise) for 2 years after their date of receipt;

(3) make each report and statement filed therewith available as soon as practicable (but within 48 hours of receipt) for public inspection and copying during regular business hours, and permit copying of any such report or statement by hand or by duplicating machine at the request of any person, except that such copying shall be at the expense of the person making the request; and

(4) compile and maintain a current list of all reports and statements pertaining to each candidate. (Pub. L. 92-225, Title III, § 314, formerly § 320, as added Pub. L. 93-renumbered § 317 and amended Pub. L. 93–443, Title II, § 208(a), (c) (11), Oct. 15, 1974, 88 Stat. 1279, 1287; renumbered § 316, Pub. L. 94-283, Title I, § 105, May 11, 1976, 90 Stat. 481, renumbered § 312 and amended Pub. L. 96–187, Title I, §§ 105(4), 110, Jan. 8, 1980, 93 Stat. 1354, 1365.)

399.16–1 **§ 439a. Use of contributed amounts for certain purposes.**

Amounts received by a candidate as contributions that are in excess of any amount necessary to defray his expenditures, and any other amounts contributed to an individual for the purpose of supporting his or her activities as a holder of Federal office, may be used by such candidate or individual, as the case may be, to defray any ordinary and necessary expenses incurred in connection with his or her duties as a holder of Federal office, may be contributed to any organization described in section 170(c) of Title 26, or may be used for any other lawful purpose, including transfers without limitation to any national, State, or local committee of any political party; except that, with respect to any individual who is not a Senator or Representative in, or Delegate or Resident Commissioner to, the Congress on January 8, 1980, no such amounts may be converted by any person to any personal use, other than to defray any ordinary and necessary expenses incurred in connection with his or her duties as a holder of Federal office. (Pub. L. 92-225, Title III, § 313, formerly § 318, as added Pub. L. 93-443, Title II, § 210, Oct. 15, 1974, 88 Stat. 1289, renumbered § 317, Pub. L. 94-283, Title I, § 105, May 11, 1976, 90 Stat. 481, renumbered § 313 and amended Pub. L. 96–187, Title I, §§ 105(4), 113, Jan. 8, 1980, 93 Stat. 1354, 1366.)

Chaplain, the Legislative Counsel, and the employees of the Office of the Legislative Counsel;

(e) the Secretary of the Senate is the supervisor of the employees of his office;

(f) the Sergeant at Arms and Doorkeeper is the supervisor of the employees of his office;

(g) the Majority and Minority Leaders and the Majority and Minority Whips are the supervisors of the research, clerical, or other assistants assigned to their respective offices;

(h) the Majority Leader is the supervisor of the Secretary for the Majority and the Secretary for the Majority is the supervisor of the employees of his office; and

(i) the Minority Leader is the supervisor of the Secretary for the Minority and the Secretary for the Minority is the supervisor of the employees of his office.

RULE XXXVIII

PROHIBITION OF UNOFFICIAL OFFICE ACCOUNTS

1. No member may maintain or have maintained for his use an unofficial office account. The term "unofficial office account" means an account or repository into which funds are received for the purpose, at least in part, of defraying otherwise unreimbursed expenses allowable in connection with the operation of a Member's office. An unofficial office account does not include, and expenses incurred by a Member in connection with his official duties shall be defrayed only from—

(a) personal funds of the Member;

(b) official funds specifically appropriated for that purpose;

(c) funds derived from a political committee (as defined in section 301(4) of the Federal Election Campaign Act of 1971, as amended (2 U.S.C. 431)); and

(d) funds received as reasonable reimbursements for expenses incurred by a Member in connection with personal services provided by the Member to the organization making the reimbursement.

2. No contribution (as defined in section 301(8) of the Federal Election Campaign Act of 1971, as amended (2 U.S.C. 431)) shall be converted to the personal use of any Member or any former Member. For the purposes of this rule "personal use" does not include reimbursement of expenses incurred by a Member in connection with his official duties.

RULE XXXIX

FOREIGN TRAVEL

1. Unless authorized by the Senate (or by the President of the United States after an adjournment sine die), no funds from the United States Government (including foreign currencies made available under section 502(b) of the Mutual Security Act of 1954 (22 U.S.C. 1754(b)) shall be received for the purpose of travel out-

Chairman NUNN. I might say on this point, the White House has gone into considerable detail, their counsel, on this. There was an extensive amount of work done on it in the executive branch and also on our committee, and I think that there are no outstanding questions now.

Let me ask one question here following up on some of the questions that have been raised on conflict. When you get confirmed, if you are confirmed as Secretary of Defense, will you consult with the general counsel on matters involving your former clients to ensure that you receive appropriate legal advice on any possible conflict of interest issues if and when they arise?

Mr. TOWER. I will certainly do that, Senator.

Chairman NUNN. Let me just ask a few more questions and I will turn it over to Senator Levin.

On your military record, you served in enlisted status on active duty and in the Reserves during and immediately following World War II, and you subsequently affiliated with the Naval Reserve in 1959, again in enlisted status; is that correct?

Mr. TOWER. Actually, I affiliated with it just about 4 or 5 months after I was discharged following World War II. That 1959, I do not know how that date got in there, but that was when I was shipping over.

It used to be that they would give you an honorable discharge when you re-enlisted, but they do not do that any more. So that is a bogus date. I was actually in the Reserves, with a short break, from 1943 to this present day.

Chairman NUNN. Has all of your service been in enlisted status?

Mr. TOWER. It has all been in enlisted status.

Chairman NUNN. Did you receive any pay for drills or active duty for training while you were a Member of the Senate?

Mr. TOWER. I did not.

Chairman NUNN. How many years of service creditable toward retirement have you achieved?

Mr. TOWER. I believe we have submitted that to your staff for the record, Senator. I believe it is something like 12 years. The bottom line is it would be impossible for me to ever get any credit for retirement.

As a matter of fact, to bring the committee up to date, as of today I go on USNR retired status. I am no longer in the Active Reserve. I have already submitted a letter to the Secretary of the Navy.

Chairman NUNN. So you will be in retired status?

Mr. TOWER. Yes.

Chairman NUNN. And you will not be——

Mr. TOWER. Effective today.

Chairman NUNN. And you will be non-paid?

Mr. TOWER. Non-paid.

Chairman NUNN. You have not earned enough points to be eligible?

Mr. TOWER. Not enough to get a pension, to get any credit on my pension.

Chairman NUNN. Is it "retired in the IRR" or is it "retired not in the IRR"?

Mr. Tower. I am not sure what the status is. Enlisted Reserve retired. To begin with, to qualify to be Secretary of Defense I have to be a civilian. Apparently, Active Reserve disqualifies me.

Chairman Nunn. I guess the question is will you be subject to recall?

Mr. Tower. I will not be subject to recall, Senator, although under certain circumstances I might want to petition the Navy to make me eligible for recall.

Chairman Nunn. Thank you, Senator Tower.

Senator Levin.

Senator Levin. Just a couple of additional questions. There have been some GAO reports about the Office of Operational Testing and Evaluation that have been critical of that office. They say that the tests have been biased, that we are not getting accurate information from them, and that the office was created to give us an independent assessment of weapons systems but that we are not getting that kind of an assessment.

Are you at all familiar with those GAO reports?

Mr. Tower. I know of them, Senator, however, I am not familiar in depth with them. But that is one of the things that I have early on my agenda to familiarize myself with.

Senator Levin. The only other question I have is about a newspaper report back home that referred to an alleged pledge of yours in 1984 that you would not lobby for defense contractors after leaving the Senate. Was there any such pledge?

Mr. Tower. Not a pledge. I said it was not my intention to lobby, and in only one instance do I think I really did lobby.

When I signed on as a consultant, it was not my intention to lobby. As a matter of fact, one or two of my contracts specified that I would not lobby. So I would not call myself a lobbyist in the usual sense, having really effectively lobbied on only one program and never having appeared on Capitol Hill as a lobbyist, except for the administration, on Arab arms sales and on INF.

Senator Levin. Thank you, Senator.

Chairman Nunn. Do you have any further questions, Senator Levin?

[No response.]

Chairman Nunn. Senator Warner.

[No response.]

Senator Levin. There are some questions for the record I think that they are trying to answer promptly.

Chairman Nunn. We have a number of questions for the record and we would like to get as many of them answered as we could, but it would not be a requirement that all of them be answered. If there are any duplications or if there are any redundant questions, we would not require those to be answered. We have tried to screen those, but it you see redundancy, we do not require you to answer them.

Mr. Tower. Sir, one question. Could you please flag for me those that you want to be responded to before the committee votes, because I do not want to delay the committee vote.

Chairman Nunn. We will do that. We will let you know this afternoon of any questions that have to be answered before we vote.

We have a couple of pending matters with the White House, odds and ends that we have to get answered. But that does not involve your own effort.

It would be my intention, depending on when all of these odds and ends are cleared up, to have a vote some time tomorrow. The Armed Services Committee will be meeting at 9 o'clock tomorrow morning on other matters, relating to the nuclear facilities safety problems. At the appropriate time when everything has been received, we will have a meeting of the Armed Services Committee on this nomination.

I will try to give an hour's notice so that anyone from the news media or public who would like to be there would be able to. But it would not be before 11 o'clock in the morning. I would hope we would be able to bring everything to a close and have a vote some time tomorrow.

Senator LEVIN. Mr. Chairman, on that—and I have no difficulty at all over that timetable—could we get the answer to the letters which we have asked the White House and the FBI for? It is not directly on this, but it is corroborative of a certain aspect.

Chairman NUNN. We have asked for that, I think.

Senator LEVIN. Could we have that before we vote, or at least some assurance that we will get that at a certain time period?

It is really not fair to Senator Tower, frankly, because in this case it is a month ago that I wrote the FBI and the White House for some information, which I believe is going to corroborate something which Senator Tower has told us, and we have not received the answer. I think it is just not fair to him that that corroborative letter has not come in.

Senator Tower, the other item that I would appreciate an answer on, which was something that you were going to work on and something Senator Dixon raised today for the record, was an estimate of the amount of time, a ballpark estimate, that you put in for the particular contractors which you have listed.

Mr. TOWER. I do not believe he asked me about time. He wanted me to flesh out a little bit my response.

Senator LEVIN. I asked you that for the record the other day, and apparently that is in preparation.

Mr. TOWER. It is very difficult to calculate, Senator. Really, it could just be ballpark and nothing I would want to swear on a Bible to.

Senator LEVIN. I understand. We would settle for that ballpark figure, that is fine.

Senator WARNER. Mr. Chairman, we want to make sure that any of those inquiries would be germane to the central inquiry that we are undertaking at this time.

Chairman NUNN. We would certainly want to make sure any questions that might require us delaying a vote be germane to the central issues.

I see the White House sitting in the front row right in front of us, and I am sure that, based on previous capable responses, we will have everything we absolutely require by tomorrow.

Senator LEVIN. Let the record note that there was a head nodding in the front row, without identifying to whom the head belonged.

Chairman NUNN. The White House nodded affirmatively.

And Senator Tower, we will let you know which of your questions need to be answered immediately. I know there are a number of questions but we do not need all of them right now. Several people that have asked those questions for the record have told me that they do not have to have them answered by tomorrow.

We will let you know by the middle of the afternoon which ones, if any, are essential.

Mr. TOWER. Essential prior to the vote?

Chairman NUNN. Essential prior to the vote. All of them are essential eventually, but we would not have to have all of them before the vote.

Senator WARNER. Senator Tower, we want to thank you for your cooperation, the clarity, and the precision of your responses to the inquiries of this committee.

Mr. TOWER. Thank you. Mr. Chairman and Senator Warner, I want to thank you for the very professional way in which this whole matter has been handled. I think it is in the public interest that everything relevant to this nomination be thoroughly considered and dealt with by the committee. I admire the professional way you have gone about it, and I thank you for your cooperation.

Chairman NUNN. Thank you, Senator Tower.

[Questions for the record with answers supplied follow:]

QUESTIONS SUBMITTED BY SENATOR SAM NUNN

Senator NUNN. Yesterday [26 Jan 89], Senators Gorton and Kennedy both noted the issue of the military's role in drug interdiction. Last year, after an extensive debate, the Congress significantly expanded the role of the Department of Defense in the drug interdiction effort by providing the Secretary of Defense with substantial discretion to structure activities such as air and sea surveillance, establishment of a command, control, and communications network, and provision of intelligence to law enforcement agencies. At the same time, after receiving extensive testimony from Secretary Carlucci, General Herres, and other experts on the scope of the military role, Congress reaffirmed the historic prohibition against direct military participation in arrests, searches, and seizures.

Would it be your intent to develop the military role in drug interdiction within the framework established by Congress last year?

Mr. TOWER. As the President emphasized in his Inaugural Address and in his February 9 address to a Joint Session of Congress, the administration is fully committed to the fight against the scourge of illegal drugs on all fronts.

The Department of Defense will fully and faithfully implement the laws applicable to its activities, including two major laws enacted last year that affect the counternarcotics support activities of the Department of Defense:

Title XI of the National Defense Authorization Act for Fiscal Year 1989 (P.L. 100–456); and

The Anti-Drug Abuse Act of 1988 (P.L. 100–690).

The Department of Defense will fully support the national effort to fight drugs, consistent with applicable law.

Senator NUNN. For several years, the Senate Armed Services Committee has been concerned about deficiencies in U.S. capabilities to engage effectively in low intensity conflict. Our planning and preparations for this threat have suffered from insufficient attention and resources even though low intensity conflict is the most likely challenge to our security interests. In fact, former Secretary of State Shultz stated "Low intensity conflict is the prime challenge we will face, at least through the remainder of the century. The future of peace and freedom may well depend on how effectively we meet it."

Do you agree with Secretary Shultz' assessment?

What is the role of the Department of Defense in the U.S. response to low intensity conflict?

How should the Defense Department be organized to contribute most effectively to the U.S. response to this threat?

Mr. Tower. The United States must maintain the military capabilities necessary to carry out the national commitment to safeguard and support freedom and democracy. Those capabilities must be tailored to meet a wide variety of threats to U.S. interests, including the threats posed by low intensity conflict. As former Secretary Shultz' comments reflect, low intensity conflict represents a major, and increasing, challenge to U.S. security interests.

The Department of Defense maintains a low intensity conflict capability which, along with U.S. diplomatic, economic, and communications capabilities, can be deployed to meet low intensity conflict threats.

Much of the organization of the Department of Defense to meet low intensity conflict and conduct special operations is established by law. The Department will fully and faithfully implement that law.

Senator Nunn. The Department of Defense has recently expressed concern about the competitiveness of U.S. high-technology industries, such as semiconductors and high definition television, that produce strategically important products. At the same time, the Defense Department has often taken a highly restrictive view of the export of high-technology products, even though the profits generated by such exports are an integral part of the research and development funding needed to sustain technological innovation and excellence.

How do you propose to reconcile these seemingly contradictory approaches to the issue of technology transfer?

Mr. Tower. Achieving the twin objectives of (1) increased U.S. economic competitiveness and (2) reduced transfer to inappropriate recipients of sensitive technologies, is a national concern of the highest order. The Department of Defense will participate and cooperate fully in executive branch decisionmaking processes to advance these goals, and in the event they conflict, to reconcile them on a case-by-case basis.

U.S. industries must have maximum access to foreign markets, within the minimum restraints necessary consistent with national security—among other reasons to generate the revenues essential to new research, development and investment in the defense industrial base.

Senator Nunn. In recent years, the role of the Defense Department in export control matters has been criticized by the National Academy of Sciences, the General Accounting Office, and U.S. businesses. In some cases, the Defense Department is charged with performing functions that are duplicative of those being done effectively by other agencies. It is further alleged that inconsistent, arbitrary and time-consuming actions by the Defense Department have impeded legitimate exports.

What steps do you intend to take to ensure that the Defense Department performs its export control functions in a consistent, impartial and expeditious manner?

What steps do you think should be taken to make the inter-agency dispute resolution process more efficient and effective?

Mr. Tower. The Defense Department will continue to fulfill its export control-related responsibilities in accordance with applicable law. The Department continues to provide its advice on the national security implications of specific proposed exports to the Departments of State and Commerce.

The Department of Defense reviews only a fraction of all exports licensed by the Department of Commerce. Most of those reviewed by the Department of Defense involve proposed exports of militarily critical items intended for the Soviet Union, Eastern Europe, or the People's Republic of China.

Of the approximately 6000 cases reviewed by the Defense Department in a year, less than 50 require resolution through the interagency dispute resolution process chaired by the Department of Commerce.

Specific changes to existing interagency export control review processes are matters for the President and the National Security Council to address.

Questions Submitted by Senator Edward M. Kennedy

Senator Kennedy. Hundreds of incidents have taken place over the last year of harassment, physical and psychological abuse of U.S. troops and their families by members of the Panamanian Defense Forces. Regrettably, the United States has failed to react appropriately to these incidents. We have either said nothing or protested the harassment long after the event occurred.

What additional steps would you take to protect our troops in Panama?

Would you protest any such incident swiftly and publicly?

Mr. **Tower**. The U.S. Armed Forces in the region will defend themselves and other American citizens whenever their safety is at risk. The United States has taken in the past, and will continue to take, strong measures to ensure the safety of Americans in the area. The United States will continue to object strongly to incidents of abuse of Americans and will take appropriate action to prevent or redress such incidents.

Senator **Kennedy**. There is some concern in Congress over the high level of sophisticated weapons sold in recent years to Arab nations who continue to refuse to make peace with Israel.

For instance, since 1981, we have sold Saudi Arabia $5.8 billion in AWACS, $350 million in Sidewinder, Harpoon, and Stinger missiles, and $502 million in F-15s. These sales are in addition to British Tornados and Chinese CSS-2 intermediate-range missiles.

Now I understand another United States sale to Saudi Arabia of F/A-18s may be under consideration.

How do you view these arms sales to the Arab world in relation to Israel's security and the peace process?

What is their impact on Israel's military qualitative edge over any combination of Arab attacks?

If you decide to move forward with the sale of advanced aircraft to Saudi Arabia, what commitments will you seek from the Saudis on support for the peace process in the Middle East? When would formal notification of such a sale be made?

Mr. **Tower**. The Saudi Arabian Government has indicated that it intends to replace a number of F-5 fighter aircraft provided by the United States in the early 1970s. That government has indicated that it would prefer to buy an American fighter, but does not rule out the possibility of a European purchase instead. The Saudi Arabian Government has not yet asked to purchase the F-18 or any other American aircraft, and the United States expects that it will be some time before that government makes an aircraft selection decision. The Department of Defense does not now anticipate that notification to Congress under the Arms Export Control Act of such an aircraft arms sale to Saudi Arabia will occur during 1989.

Questions Submitted by Senator John Glenn

NATIONAL SECURITY PLANNING AND BUDGETING

Senator **Glenn**. Nearly 3 years ago, President Reagan's Blue Ribbon Commission on Defense Management (The Packard Commission) completed what I and many others believe was an outstanding report on how to improve the executive and congressional management of our defense establishment. As you know, General Scowcroft, now President Bush's National Security Advisor, Secretary of Defense Carlucci, and Secretary of Treasury, Nicholas F. Brady, were three members of that distinguished committee. The number one issue addressed in the report dealt with National Security Planning and Budgeting. The report concluded: "The Commission finds that there is a great need for improvement in the way we think through and tie together our security objectives, what we spend to achieve them, and what we decide to buy. The entire undertaking for our nation's defense requires more and better long-range planning." To help improve our National Security Planning and Budgeting management, the Packard Commission recommended a formal process to be followed by the executive branch and Congress. The process would begin with a comprehensive statement of national security objectives and priorities, based on recommendations of the National Security Council (NSC). Based on these objectives, the President would issue, at the outset of his administration and thereafter as required, provisional 5-year budget levels to the Department of Defense (DOD). To the best of my knowledge, few of the Commission's recommendations have been implemented and those that have were a result primarily of the DOD reorganization bill. You have indicated in earlier testimony that you agree with the Packard Commission's recommendations to improve DOD management. Can you tell us if the Bush administration intends, as part of its review of the Reagan defense budget, to start with a reappraisal of our national security objectives and priorities? Can you also say how far the Bush administration will go in implementing the Packard Commission recommendations to improve National Security Planning and Budgeting? Finally what role will you play in that process?

Mr. **Tower**. In his February 9 address to the Joint Session of Congress, the President announced a National Security Council strategy review and a Department of Defense management and procurement review. The national security strategy review and the defense management review will provide the basis for defense resource allocation.

The administration will actively seek to complete implementation of the Packard Commission's recommendations. A number of its recommendations may require the enactment of legislation, and the administration looks forward to working closely with the Congress toward that end. The support of Congress will be essential to accomplish effective biennial budgeting, multiyear procurement, and economic production rates.

PROCUREMENT BOW WAVE

Senator GLENN. During a recent hearing I chaired on the Governmental Affairs Committee, Mr. Charles Bowsher, Comptroller General, testified that GAO had concluded that the weapons build-up in the early 1980s was just too much, too fast. He further stated that "billions of dollars in weapons systems now on the drawing boards or under way (Bow Wave) will have to be cut to meet the spending limits that Congress will likely impose in the coming years." You have been quoted in the press as acknowledging that the build-up was excessive and that you believe it is possible to get as much or more defense for less money. My question is, how do you intend to accomplish this and will it involve the cancellation or deferment of weapon systems? If so, have you identified what system or systems might be cut or deferred?

Mr. TOWER. In his February 9 address to the Joint Session of Congress, the President announced a National Security Council strategy review and a Department of Defense management and procurement review. The national security strategy review and the defense management review will provide the basis for defense resource allocation. The administration's final decision on defense resource allocation must await the results of those reviews.

The administration is confident that the funds requested for defense under the conditions the President outlined in his February 9 address will enable the United States to meet its national security needs. Congressional support on multiyear procurement, biennial budgeting and economic production rates will be essential to realize substantial savings.

DEFENSE INDUSTRIAL BASE

Senator GLENN. I am gravely concerned about the erosion of our industrial base in general, and in particular how this erosion adversely impacts our ability to meet our defense needs. Specifically, I have seen the virtual dismantling of one of our most basic industries—the steel industry. Unfair foreign trade practices and massive state intervention have devastated our steel industry, steel communities, and the steelworkers of America. President Bush has stated that "the only way to produce a permanent solution to the domestic steel industry's problems is to bring an end to these unfair practices" and that he will extend steel's voluntary restraint agreements pending "an international consensus on eliminating these practices." As Secretary of Defense do you expect to play a role in administration deliberations on this question, and what is your view on extension of the steel VRA program?

Mr. TOWER. Maintenance of the U.S. defense industrial base is important to the Nation's security. The requirements of national security will receive full consideration in the process leading to administration decisions on international trade issues.

BUDGET CARE USER FEES

Senator GLENN. The budget that President Reagan submitted proposes a 2-year pilot program to require user fees in the provision of health care to non-active duty beneficiaries. What do you think about requiring user fees for non-active duty health care beneficiaries?

Mr. TOWER. The administration has not yet addressed this specific issue. Consideration of this issue must take account of such factors as the expectations of active and retired military personnel, their medical needs, the scarcity of defense medical resources, and fiscal constraints.

UNDER SECRETARY FOR HUMAN RESOURCES

Senator GLENN. The Total Force policy has been in effect since 1973; however, I am not convinced that it has been managed very well. In recognition of this problem there have been some discussions in the DOD about establishing an Under Secretary position in the Office of the Secretary of Defense to integrate the efforts of the

Assistant Secretaries of Defense for Force Management and Personnel, Reserve Affairs, and Health Affairs. Have you been made aware of this problem and what do you think about establishing an Under Secretary position of this nature?

Mr. TOWER. I have been made aware of this issue. Pursuant to the President's charge in his February 9 address to Congress, the Department of Defense will conduct a review of its management to ensure that the organization and assets of the Department are fully tailored for the effective achievement of the U.S. national security strategy. Decisions on changes in the organization of the Office of the Secretary of Defense should await the outcome of that review. The issue whether to establish the Under Secretary position described in the question is likely to be an issue in that review.

NATIONAL SERVICE PROGRAM

Senator GLENN. One of our greastest natural resources in this country is the boundless energy of our youth. I believe this is an untapped resource that our Nation can ask to voluntarily serve national and community needs. If confirmed as Secretary of Defense, would you support a voluntary program of national service that would provide post-service educational benefits for people who serve either military or civilian service (with higher benefits for those who choose military service) and that would also require anyone who receives federal aid for post-secondary education to perform some form of national service?

Mr. TOWER. The administration has not yet determined its position on voluntary national service legislation.

HEADQUARTERS REDUCTIONS

Senator GLENN. Last year, Secretary Carlucci directed the DOD Inspector General to conduct a review of Unified and Specified Commands and supporting headquarters to determined if there were any efficiencies that could result from organizational realignments and elimination of overlapping and duplicative responsibilities.

The DOD Inspector General identified about 7,300 excess manpower spaces as a result of the review. Subsequently, after considerable scrubbing in the DOD, the number of excess manpower spaces was lowered to 3,000. Even though I may not agree with the 3,000 figure, I applaud the effort. We have been hammering on the DOE to be critical in evaluating the manpower strength requests of the services because they were just being rubber-stamped over to us.

In your view, aren't there substantial economies that can also be achieved in other headquarters elements, such as the headquarters staffs of the services and the headquarters of the underlying command structures?

If confirmed as Secretary of Defense, would you establish a regular system for the critical review of the stated manpower requirements of the military services at the Office of the Secretary of Defense level?

Mr. TOWER. In carrying out the President's charge to the Department of Defense mentioned in his February 9 address to Congress, the Department is conducting a management review designed to streamline its organization, realize achievable economies, and improve the Department's ability to perform its missions effectively. The review will include examination of the numbers, distribution, and functions of DOD personnel.

DOD ENVIRONMENTAL COMPLIANCE COSTS

Senator GLENN. In recent months, one of the hottest issues in the press and on Capitol Hill has been Federal facility compliance with environmental laws. Although Department of Energy nuclear production sites have been getting most of the attention, Department of Defense installations have also been targeted. In addition, a number of legislative proposals were introduced in the last Congress to give EPA and the States clearer authority to enforce compliance.

For a number of years, the Defense Environmental Restoration Account or DERA has been the most tangible example of DOE commitment to environmental compliance. In 5 years, DERA has grown to $500 million and provides the funding to cleanup most DOD hazardous waste sites. Despite previous testimony to Congress demonstrating the need for significant growth in DERA funding, the current DOD budget request and 5 years plan show virtually no growth. Although the $500 million a year DERA funding projections represent a significant amount of money, it is well short of the earlier projections to Congress of about $1 billion a year. At this rate, DOD cleanup projections will slip from a 25 to a 50 year program.

As you might imagine, recent funding decisions involving DERA raise serious questions up here about the Department's continued commitment to environmental compliance. Critics might even go so far as to say that DOD talks a good game, but is not too willing to match its words with money.

As Secretary of Defense, how do you intend to reconcile substantially increasing costs for environmental compliance with a level funded DOD budget over the next several years? Do you see compliance program funding having to compete with other defense programs, or do you feel that DOD has a higher obligation to comply with letter and spirit of environmental laws, irrespective of cost and mission impact considerations?

Mr. TOWER. The Department of Defense willfully and faithfully execute the laws applicable to its activities, including environmental laws. Final resource allocation decisions for Department of Defense programs have not yet been made. Department of Defense decisions will take account of environmental, health and safety concerns.

Senator GLENN. Would you favor an increase in DERA funding above the current request and year plan if it were necessary to maintain DOD compliance with environmental statutory requirements?

Mr. TOWER. The Department of Defense will make every effort to maximize achievements of statutory environmental goals with the appropriations provided by law. Decisions on future budget requests for defense programs have not yet been made.

DOE DEFENSE ISSUES

Senator GLENN. As the principal "customer" for nuclear warheads produced by the Department of Energy, the Defense Department now finds that the time-honored assumption that nuclear weapons can be produced cheaply and quickly is false. The full costs estimated by the DOE and the General Accounting Office to modernize and cleanup the DOE weapons complex is on the order of $250 billion. The production of nuclear weapons is among the Nation's potentially most dangerous activities. The DOE bomb complex is run down, dirty and is leaving behind a radioactive and toxic waste legacy of enormous proportions. Given this stark reality, what specific steps will you be taking to integrate this enormous problem into your overall economic considerations with respect to DOD nuclear and conventional weapons policies?

Mr. TOWER. As the President stated in his February 9 address to the Joint Session of Congress:

"We face a massive task in cleaning up the waste left from decades of environmental neglect at our nuclear weapons plants. Clearly, we must modernize these plants and operate them safely. That is not at issue. Our national security depends on it.

"But beyond that, we must clean up the old mess that's been left behind, and I propose in this budget to more than double our current effort to do so. This will allow us to identify the exact nature of the various problems so we can clean them up—and clean them up we will."

The administration is requesting from Congress funds that are needed to clean up the waste from nuclear weapons plants and to ensure that the Nation will have the modern, safe plants needed to produce the nuclear warheads the Nation's security requires.

Senator GLENN. In regard to the previous question, what steps will you be taking to asure that DOD's nuclear warhead retirement policies will be able to meet contingencies that may arise from disruptions in nuclear materials production?

Mr. TOWER. Adjustments in the Nation's nuclear warhead inventory will be made as appropriate to maintain our capabilities. The Department of Defense and the Department of Energy, under the guidance of the President and the National Security Council, will ensure that nuclear materials required for the Nation's security are produced and exploited effectively.

Senator GLENN. During your chairmanship of the Senate Armed Services Committee were you ever made aware of the DOE's deteriorating facilities and the agency's burgeoning environmental safety and health policies? What steps will you be taking to make sure that you will be on top of DOE's current crisis?

Mr. TOWER. Funding for the national security energy programs is authorized in the annual Defense Authorization Act. The Senate Armed Services Committee handles that bill each year. I do not personally recall the problems to which the question refers having been a major item for the committee during my chairmanship. The records of the committee should reflect whether the matter was brought to the committee's attention during my chairmanship.

With respect to plans to deal with the DOE problems, please see the responses to your previous questions.

Questions Submitted by Senator Robert C. Byrd

Senator Byrd. What major bases do the Marine Corps and Navy (SEALS) have on the east coast for cold weather, mountainous, rough terrain-type training?

Mr. Tower. The Marine Corps does not maintain a dedicated facility on the east coast for such training. Marine Corps forces on the east coast conduct this type of training at the following DOD facilities:

Fort Pickett, Virginia.
Plattsburgh Air Force Base, New York.
Fort Drum, New York.
Camp A.P. Hill, Virginia.
Camp Merrill, Dalonega, Georgia.
Camp Dawson, West Virginia.

Also, the Marine Corps maintains a Mountain Warfare Training center in Bridgeport, California. Both east and west coast based Marine Corps forces use this training facility.

Such training for Navy SEALs is conducted at the following training facilities:

Goose Bay, Labrador.
Naval Air Station, Brunswick, Maine.
Coast Guard Station Bangor, Maine.
Fort Devens, Massachusetts.

Senator Byrd. What is the status, 5 year outlook and significant milestone events leading to procurement and installation of a supercomputer system for the Army at a competitively selected academic institution?

Mr. Tower. The Army currently intends to establish an Army High Performance Computing Research Center at a competitively selected academic site. The Center would emphasize research and development for more effective use of existing conventional supercomputers as well as future supercomputer architectures. The Center also would train Army and Army-sponsored researchers.

The Army issued a request for proposals for the Center on January 18, 1989 and would expect to award a contract by September 1989.

Senator Byrd. I am advised that there is a need for development of new manufacturing methods and equipment to produce the next generation of military aircraft in the mid 1990s. With tight budgetary constraints for the foreseeable future, it will be necessary for aircraft manufacturers to increase the efficiency of their production methods as well as the effectiveness of their aircraft. In order to meet the challenge of increased effectiveness and efficiency in the production of military aircraft, as well as maintain a keen competitive edge in marketing advanced commercial aircraft worldwide, the American aerospace industry must take steps now to modernize their production methods. Consequently, it behooves the Federal Government, which would benefit from any increased efficiency in the aerospace industry in terms of lower procurement costs, to embark upon an investment with industry as soon as possible in order to develop the necessary production methods and tools so they will be ready for application when procurement of the next generation of advanced aircraft is implemented. In addition, these gains would also be used to dramatically upgrade the performance capabilities of visiting operational military aircraft.

What are the Department's plans over the next 5 years to deal with the manufacturing technology issue, which represents both a challenge and an opportunity?

Mr. Tower. A strong U.S. defense industrial base is important to the security of the United States and its allies. The Department of Defense will continue appropriate efforts to strengthen the capabilities of U.S. defense industries. The Department's ability to devote taxpayer resources to the effort to maintain U.S. technological capabilities will be constrained in coming years, as will be the entire defense budget. Specific decisions on the amount of resources to devote to this effort must await future decisions of the executive branch in its strategy review, and future decisions of the executive and legislative branches on the budget for defense programs.

Senator Byrd. With 60 percent of the Federal Government's research and development budget (approximately $37 billion), what measures has the Department of Defense put in place to cooperate with the Technology Transfer Act of 1986, Presidential Directive [sic] 12591 of 1987 as well as with the earlier enactment of the Stevenson-Wydler Act of 1980?

How do these measures break down in terms of Air Force, Navy and Army research and development budgets?

Mr. TOWER. The Department of Defense will fully and faithfully implement the laws and executive orders applicable to its activities. The Department is implementing the Technology Transfer Act, the Stevenson-Wydler Act, and Executive Order 12591.

The Department of Defense is:

Establishing offices of research and technology applications at Department of Defense laboratories;

Establishing cooperative research and development agreements with non-Federal parties;

Providing for appropriate royalty sharing with Department of Defense supported inventors;

Providing appropriate commercial rights for contractors in contractor inventions developed with DOD support;

Releasing through the National Technical Information Service to the general public about 13,000 technical reports each year;

Supporting the Federal Laboratory Consortium.

The Department of Defense does not budget domestic technology transfer on a specific, service-by-service basis. Moreover, as a general matter, three separately budgeted service programs to accomplish any particular defense objective may not be the most appropriate means of achieving that objective.

Senator BYRD. In 1988, the National Aeronautics and Space Administration (NASA) received a mandate from the conferees of the Committees on Appropriations to "conduct a definition/design study of the 5 year master plan for the establishment of a national repository for Federal research and development (technology transfer) . . . and to transmit the definition/design study along with 5 year cost estimates and a proposal for cost-sharing to the Committees on Appropriations of the House of Representatives and the Senate by February 1, 1989." How could the Department of Defense participate in this National Technology Transfer Center (NTTC) initiative? What cost-sharing initiatives would be possible across the full services spectrum?

Mr. TOWER. The Department of Defense and the NASA cooperate closely in many fields of endeavor. The Department's efforts to ensure that commercially-exploitable technology developed by or for the Department is transferred when appropriate to the private sector complements similar efforts by NASA. The Department is prepared to examine any NASA proposal for intensified DOD-NASA cooperation on appropriate technology transfer, including the possibility of cost-sharing initiatives across the full services spectrum.

Senator BYRD. What is the importance to the Department of Defense of ceramic and metal matrix composites as critical materials? In the military, advanced materials are important enabling technologies for many military systems such as the national Aerospace Plane, the Advanced Tactical Fighter, and tactical missiles. It is also clear that advanced materials can play a key role in commercial products such as airplanes, aircraft engines and industrial machinery. However, a 1988 OTA report entitled "Advanced Materials By Design" states that it is unclear whether the United States will lead the world in commercializing these materials. End user companies in several countries, most notably Japan, have initiated more aggressive programs to commercialize their evolving materials technologies. OTA identifies several key policy objectives to accelerate U.S. commercialization of advanced materials, including government-industry collaboration in R&D for low cost materials fabrication and more effective commercial exploitation of military R&D investments. Do you agree with this assessment of the importance of advanced materials to DOD and U.S. competitiveness? And do you support shared risks/shared cost manufacturing technology programs between government and industry in advanced composite materials?

Mr. TOWER. Ceramic and metal-matrix composites are essential technologies for the Strategic Defense Initiative, the National Aerospace Plane, the Advanced Technology Fighter, and tactical and strategic missile systems. The Department of Defense has invested substantial resources in university and industrial laboratories for the creation of these important materials. The Department will continue to support appropriate advanced materials efforts, consistent with the Nation's defense needs and available resources.

Senator BYRD. How successful have the Navy, Army, and Air Force Manufacturing Technology (MANTECH) Programs been in reaching the goal of advancing technology within the defense industrial base? With regard to the Navy's MANTECH program, how has Marshall University's plan for establishment of a flexible "computer integrated manufacturing center, or teaching factory" been supported?

Mr. TOWER. The Department of Defense manufacturing technology effort has strengthened substantially the U.S. defense industrial base. That effort has contributed to many industrial advances, including:

Development of numerically controlled machine tools;

A standard programming language for machine tools;

The isothermal forging process used in the manufacture of high-temperature turbine engines.

The Navy has underway the process that may lead to an award to Marshall University of a $200,000 study contract that would produce a plan defining the need for a regional teaching facility. The study would be scheduled for completion by the end of fiscal year 1989.

Senator BYRD. The Strategic Defense Organization's Office of Commercial Applications has clearly taken a positive and leading role in developing successful technology transfer initiatives. How can the three services achieve the same result? How could these results be coordinated at the Office of the Secretary of Defense level in a permanent and meaningful manner?

Mr. TOWER. The SDI Office of Technology Applications established its program based on three principles:

Successful transfer of appropriate technology depends upon bringing talented people together to identify the capabilities of new technologies and their applications;

The procedures and mechanisms for making use of the technology and its applications must maximize public and private access, limited only to the extent required by national security and intellectual property rights; and

Effective use of emerging technologies requires taking advantage of outside expertise from industry, academia, and the investment community.

These principles provide the basis for effective technology transfer programs. The Department of Defense will continue to encourage the SDI Office of Commercial Application to transfer to the commercial sector the technological fruits of the Strategic Defense Initiative.

Senator BYRD. What is the current status and 5-year funding outlook on the following programs: the Civil Air Patrol (Air Force); the Software Technology for Adaptable Reliable Systems (STARS) program; the Ada Joint Program Office; and the Software Engineering Institute. Is DOD committed to the Ada computer language for use in all future weapons systems?

Mr. TOWER. The administration currently is reviewing the application of available resources to the accomplishment of its missions, and thus final funding decisions have not been made on DOD programs.

The advanced capabilities of future U.S. weapon systems depend upon large quantities of complex software. Thus, the Department of Defense should continue to provide appropriate efforts to assist in advancing the Nation's software industry.

Department of Defense Directive 3405.2, "Use of Ada in Weapons Systems," dated March 30, 1987, provides that Ada will be the single, common, high-order programming language for new weapons systems during all phases of the life cycle and to major software upgrades of existing weapons systems. The Department has no plans to change the current Ada-use requirements.

QUESTION SUBMITTED BY SENATOR PETE WILSON

Senator WILSON. Senator, I have a question for you that is intended to explore how you plan to work with Congress to handle complicated problems. It deals with the Defense Department's program to destroy the stockpile of obsolete chemical munitions. As you know, this is a timely topic not just because of the recent Paris Conference but also because of growing public concern about the possible dangers of the disposal program. It will be a difficult job but one that must be done and must be done wisely and well. For the past 2 years, Congress has studied this problem—holding numerous meetings with interested members of both the public and the Defense Department. As a result of this study, we endorsed an approach that we felt struck the correct balance between the need to get on with the job and the need to make sure the job got done well. This approach includes completion and check-out of the disassembly plant at Johnston Island and construction of a cryofracture plant at Tooele Army Depot in Utah. We appropriated the required funds and made our decision known in clear, unambiguous terms. We now find that the 1990 budget submitted by DOD does not provide the program we had requested. The program submitted eliminates the entire cryofracture development and relies totally on the disassembly concept. In fact, work on the development of cryofracture has been totally halted because the funds appropriated by Congress for 1989 are not being spent. I wanted you to understand that the Members of Congress who have chemical weapons facilities in our States or who have other concerns about the demil program have taken our role seriously. We believe that it is absolutely necessary that we have a role in building public confidence in the chemical weapons destruction policy this Government establishes. Do you have any comment on this issue?

Mr. TOWER. Public safety is, and will remain, the Department's paramount concern in carrying out the program to eliminate unneeded chemical munitions. The Department will carry out the program fully in accordance with applicable law.

The President stated in his February 9 address to the joint session of Congress that "chemical weapons must be banned from the face of the earth." Destruction of obsolete U.S. chemical weapons is a step in that direction.

QUESTIONS SUBMITTED BY SENATOR JOHN MCCAIN

Senator MCCAIN. Could you provide a more detailed statement of your views regarding the value of SDI, and of the kind of trade-offs that may have to be made between funding near and long term deployment, and funding a limited versus a comprehensive defense?

Mr. TOWER. As the President stated in his February 9 address to a Joint Session of Congress, the administration will vigorously pursue the Strategic Defense Initiative.

With respect to specific funding decisions, a departmental review of the allocation of defense resources to match the national security strategy is underway, and thus final specific decisions on defense programs have not been made.

My testimony before the Senate Armed Services Committee detailed my views in support of the administration position. In response to questions concerning SDI from Senator Wilson, I stated:

"Senator, I think you know I have been a longtime partisan of SDI. I led the floor action in the first authorization of SDI as an integrated entity.

"A lot of those programs, of course, were brought together under the SDI umbrella, a lot of existing programs. But I was the advocate of the initial authorization for the founding of SDI and have been a partisan of SDI ever since.

"Incidentally, let me add just one thing. I am even more a partisan of it after having spent 14 months as strategic offensive arms negotiator than I was then."

In response to questions from Senator Gore, I stated:

"Now, I think to begin with—I don't believe that we can devise a BMD umbrella that can protect the entire American population from nuclear incineration. I think that is unrealistic.

"Our strategic defensive systems have to be a part of our overall deterrent capability, and have to be integrated with our offensive weapons systems.

"Now, it is the policy of this administration—the policy of the previous administration—to try to move from an offensive deterrent strategy to a defensive one. It remains to be seen whether that is a realistic objective.

"But one for the immediate future—we intend to pursue the position of the President as he has stated it in the campaign, and we have not gone in detail on this. This again is a matter that I don't want to get out in front of the President on, so I would go back to a remark that he made during the campaign, that he would proceed to deployment of some sort of limited initial system as soon as it was feasible."

Senator MCCAIN. What do you feel the Department of Defense should do in regard to procurement practices to prevent leading edge technology semi-conductor suppliers to prevent [sic] U.S. firms from refusing military business opportunities because of the growing complexity, and criminal and civil liability, dictated by the Federal Acquisition Regulations?

Mr. TOWER. Improving defense procurement practices is one of the administration's top priorities. In his address to the Joint Session on February 9, the President advised Congress that he is charging the Department of Defense to develop a plan to improve the defense procurement process and management of the Pentagon, a plan which will fully implement the Packard Commission recommendations.

The Department of Defense will give high priority to improving and simplifying the acquisition process for the full range of goods and services, including semi-conductors. Unnecessary complexity of regulations does not serve the national security or economic interests of the Nation.

Senator McCAIN. What is the Government going to do to be able to buy commercially developed leading edge technology? How can the Department of Defense do more to reduce the barriers to procuring commercial and off-the-shelf equipment?

Mr. TOWER. The Department of Defense is giving high priority to the use of nondevelopmental, off-the-shelf commercial items. The Department has issued an acquisition regulation to promote the use of such items. The Department has increased the number of non-Government standards available in order to reduce reliance on military specifications. The Department also is increasing its use of purchase description in acquisition of commercial products, in lieu of the more complex specifications. It would seem that more could be done in this area, and the subject will be reviewed as the Department prepares the management plan responding to the President's charge in his February 9 address to the Joint Session of Congress.

Senator McCAIN. What differences do you feel should exist between electronics and other leading edge procurement policies and regular "nuts and bolts" procurement policies?

Mr. TOWER. The Department of Defense should appropriately assist in the maintenance of the U.S. defense industrial base to meet national security needs. Those areas in which the United States has a strategically important competitive advantage, such as certain fields of electronics, require particular attention to ensure that the Nation does not lose its security edge along with its economic edge. These industrial base needs must be borne in mind in developing defense procurement policies.

QUESTIONS SUBMITTED BY SENATOR MALCOLM WALLOP

Senator WALLOP. Would you tell us what meaning Soviet military power has for us, if any? As you know many people now believe that military force—especially strategic forces—are no longer useful, passe. Specifically, if you were in charge of the Soviet military machine and your political masters were to order from you an assessment on Soviet forces abilities to destroy the American and allied homelands while protecting the Soviet homeland, how would you use the assets under your command? What could you do to the West if you really tried?

Mr. TOWER. The Union of Soviet Republics has the power to destroy the United States as we know it through the use of strategic nuclear weapons, just as the United States has the power to destroy the U.S.S.R. It remains the first national security objective to our Government to ensure that the Soviet Union is not tempted to exercise that power. The United States has thus far been successful through an effective offensive deterrence strategy, and is exploring the possibilities for enhancement of U.S. security through the addition of a strategic defense component to the national strategy.

Senator WALLOP. What role do you see the Strategic Defense Initiative playing in our national security posture? In particular:

At what point in the program will you be prepared to recommend deployment?

Do you plan to review the SDI program early in your tenure? What will you be looking for in such a review?

What is your position on deployment of a limited protection system as a first step toward greater emphasis on defense?

Mr. TOWER. As the President stated in his February 9 address to a Joint Session of Congress, the administration will vigorously pursue the Strategic Defense Initiative. Decisions on deployment, or even decisions on when to make those decisions, must await further experience with the SDI program.

My testimony before the Senate Armed Services Committee details my views in support of the administration position. In response to questions concerning SDI from Senator Wilson, I stated:

"Senator, I think you know I have been a longtime partisan of SDI. I led the floor action in the first authorization of SDI as an integrated entity.

"A lot of those programs, of course, were brought together under the SDI umbrella, a lot of existing programs. But I was the advocate of the initial authorization for the founding of SDI and have been a partisan of SDI ever since."

"Incidentally, let me add just one thing. I am even more a partisan of it after having spent 14 months as strategic offensive arms negotiator than I was then."

In response to questions from Senator Gore, I stated:

"Now, I think to begin with—I don't believe that we can devise a BMD umbrella that can protect the entire American population from nuclear incineration. I think that is unrealistic.

"Our strategic defensive systems have to be a part of our overall deterrent capability, and have to be integrated with our offensive weapons systems.

"Now, it is the policy of this administration—the policy of the previous administration—to try to move from an offensive deterrent strategy to a defensive one. It remains to be seen whether that is a realistic objective.

"But one for the immediate future—we intend to pursue the position of the President as he has stated it in the campaign, and we have not gone in detail on this. This again is a matter that I don't want to get out in front of the President on, so I would go back to a remark that he made during the campaign, that he would proceed to deployment of some sort of limited initial system as soon as it was feasible."

Senator WALLOP. Are the Soviets still violating solemn arms control commitments? If so, will you recommend programmatic responses to Soviet violations of existing arms control agreements?

Mr. TOWER. The periodic reports to the Congress required by law on Soviet compliance with arms control agreements continue to reflect United States concerns with Soviet actions, such as those relating to the Krasnoyarsk radar. The United States will pursue appropriate, effective responses to Soviet violations of arms agreements.

QUESTIONS SUBMITTED BY SENATOR DENNIS DECONCINI

Senator DECONCINI. Do you plan to establish a dedicated anti-drug staff with appropriate law enforcement membership at the Department of Defense? If you do, what will be the function of this staff? Where will it be located? Do you envision law enforcement personnel having an active role on this staff?

Mr. TOWER. The Department of Defense coordinates its operational planning efforts closely with Federal law enforcement agencies that have drug enforcement responsibilities to ensure that DOD support for such agencies is effective. The Department's action is designed to fulfill the statutory mandate that "the needs of civilian law enforcement officials for information shall, to the maximum extent practicable, be taken into account in the planning and execution of military training or operations." (10 U.S.C. 371(b))

Currently, the Office of the Assistant Secretary for Force Management and Personnel is the focal point for Department of Defense counternarcotics programs. The staff of that office includes representatives from the U.S. Customs Service, the U.S. Coast Guard, and the Armed Forces.

Specific decisions on how to organize the Department of Defense's counternarcotics support effort in the future must await a thorough review of the organization and management of the Department. Also, the views of the Director of the Office of National Drug Control Policy established by the Anti-Drug Abuse Act of 1988 must be considered.

Senator DECONCINI. In view of the fact that the military involvement in the narcotics program has just been expanded to one of being the lead agency for detection and monitoring, would it not be more cost effective to utilize DOD funds to support and enhance the existing joint U.S. Customs/U.S. Coast Guard C3Is as the focal point of the system?

Mr. TOWER. Section 1102 of the National Defense Authorization Act for Fiscal Year 1989 (P.L. 100-456) provides that "the Department of Defense shall serve as the single lead agency of the Federal Government for the detection and monitoring of aerial and maritime transit of illegal drugs into the United States." The Department of Defense will faithfully implement this statutory mandate and the Anti-Drug Abuse Act of 1988.

The Department will use the intelligence available to it from all sources to assist in the law enforcement counternarcotics efforts, including air and maritime interdiction, as contemplated by law. The current judgment of the Department is that correlating the vast volume of intelligence data generated by DOD sensor arrays to support counternarcotics activities can be accomplished with greater efficiency and cost effectiveness at DOD facilities, rather than at Customs/Coast Guard command, control, communications, and intelligence facilities.

The various aspects of DOD support to counternarcotics activities will undergo review in cooperation with the Director of National Drug Control Policy, in accordance with the Anti-Drug Abuse Act of 1988 (P.L. 100-690).

Senator DECONCINI. The joint Customs/Coast Guard C3I is scheduled to reach initial operational capability by the end of May this year. In reading your [sic] January 1 report to Congress, one could conclude that DOD plans to duplicate this congressionally directed system with another C3I system and relegate the 3-year development of a drug interdiction C3I program to a lesser role. Would you explain the operational wisdom and cost effectiveness of such an approach? My concern is that your approach appears to be supporting a DOD unfunded maritime defense zone objective with drug interdiction appropriated funds, in spite of a possible duplication.

Mr. Tower. The Department's current judgment is that it can best provide support to the Federal law enforcement agencies' command and control activities through all-source intelligence and active management of sensor collection in existing DOD facilities.

As previously stated, the various aspects of DOD support to counternarcotics activities will undergo review in cooperation with the Director of National Drug Control Policy, in accordance with the Anti-Drug Abuse Act of 1988 (P.L. 100-690).

Senator DeConcini. Do you intend for the law enforcement community to participate in the planning and scheduling process for DOD resources which could be utilized in drug law enforcement?

I would emphasize the importance of local and State law enforcement being included in any type of anti-drug programs that DOD undertakes because of their critical role in the war on drugs.

Mr. Tower. Sections 371 through 380 of Title 10 of the U.S. Code authorizes the Department to cooperate with State and local law enforcements agencies on counternarcotics efforts, as well as Federal agencies.

The Department's current judgment is that, as a general matter, the counternarcotics interests of State and local governments can best be represented in the DOD planning process by the representatives of Federal law enforcement agencies. Currently, the Office of the Assistant Secretary for Force Management and Personnel is the focal point for Department of Defense counternarcotics programs. The staff of that office includes representatives from the U.S. Customs Service, the U.S. Coast Guard, and the Armed Forces.

Senator DeConcini. Legislation enacted in the 100th Congress that appointed the DOD the lead agency for drug interdiction surveillance also appropriated $300 million for this purpose. Conference report 100-1002 strongly recommends the use of aerostats in the Gulf of Mexico to close the only remaining surveillance gap, since downlook aerostat radars already have been deployed or are being deployed from California to Texas and from Florida to Puerto Rico.

It appears that there are two methods to close the remaining surveillance gap. One is to place four or five land-based aerostats along the shores of the gulf at a total cost of approximately $200 million with an annual operating cost of $25 million. The solution may be fraught with some technical difficulties, i.e., aviation safety, sorting legitimate from illegitimate traffic, and response warning time. Another solution could be to place aerostats on modified mobile oil drilling rigs in the middle of the gulf, with ancillary law enforcement and military applications. This solution may cost substantially less and be implemented quicker. (NOTE: $50 million for two existing platforms with aerostats included in the price has been formally proposed to DOD by Westinghouse.) Is the DOD aware of this possibility and, if so, is consideration being given to it?

Mr. Tower. The review with the Office of National Drug Control Policy of the various aspects of national drug control policy, including the mix of sensors used to detect air and maritime drug traffic, will include consideration of semi-submersible platforms and other sea-based aerostats.

Senator DeConcini. Given the new role of the DOD as lead agency for detection and monitoring, will you encourage the expenditure of some of the $300 million in the DOD authorization to purchase additional aerostats to complete the radar detection net along the southern border and the prime transit routes?

Specifically: $23 million for Great Inagua; $3 million for marine enhancements to Cariball I and II; $20 million for relocation of the aerostat at Cape Canaveral to the west coast of Florida; $52 million for aerostats on the gulf.

Mr. Tower. As the mix of sensors for detection and monitoring is reviewed, full consideration will be given to fixed land-based aerostats within the context of an overall array of sensors.

Senator DeConcini. Last year Secretary Carlucci and General Harris [Herres] testified in joint hearings before this committee and the House Armed Services Committee that if the Customs Service P-3 AEW proved successful, consideration should be given to augmenting that fleet for drug surveillance purposes. Given that a recent GAO study has concluded that the programs is, in fact, very successful, what is your position on providing Customs resource support to increase the P-3 AEW fleet?

Mr. Tower. Purchase of aircraft for the U.S. Customs Service is most appropriately accomplished and controlled by use of appropriations for the Customs Service. Requests to Congress for appropriations for aircraft for the Customs Service is a matter on which the Department of Defense defers to the Secretary of the Treasury and the Director of the Office of Management and Budget.

The Department of Defense has recently offered to Federal law enforcement agencies 15 P-3A aircraft that are excess to the needs of the Defense Department.

Senator DECONCINI. Do you intend to spend some of the $300 million contained in the DOD authorization to increase AWACS and E-2C support to law enforcement? Can you tell us how much additional support can be expected? Will this additional support be coordinated with the law enforcement agencies so that maximum effective utilization can be realized at the times and locations of highest threat as identified by the law enforcement agencies?

Mr. TOWER. As previously stated, the various aspects of DOD support to counternarcotics activities will undergo review in cooperation with the Director of National Drug Control Policy, in accordance with the Anti-Drug Abuse Act of 1988 (P.L. 100-690).

Such a review would include decisions concerning the expenditure of available appropriations to improve air and maritime surveillance capabilities. Whatever the specific results of such a review may be, counternarcotics support will be coordinated carefully with law enforcement agencies to ensure maximum effective utilization of DOD assets.

Senator DECONCINI. Last year's legislation also included a provision that allows the National Guard to strengthen its role in drug interdiction and enforcement and provides $40 million to carry out those efforts. The National Guard already has participated in several successful joint drug enforcement programs around the country and views fighting drugs as an added mission. The Guard may just be the best buy the Department of Defense has going when it comes to fighting illegal drugs. What role do you plan for the Guard in your overall drug strategy? The $40 million will go a long way toward developing joint Guard/law enforcement programs in over 40 States yet no request for additional funding was made in the recently submitted fiscal year 1990 budget. Do you plan to provide funding for National Guard antidrug programs and specifically how much?

Mr. TOWER. As previously stated, the various aspects of DOD support to counternarcotics activities will undergo review in cooperation with the Director of National Drug Control Policy, in accordance with the Anti-Drug Abuse Act of 1988 (P.L. 100-690). Moreover, a review of Department of Defense management and dedication of resources to roles and missions currently is underway within the administration. Final, specific funding and program decisions have not been made.

As the President's Inaugural Address indicated, the administration is fully committed to the fight against the scourage of illegal drugs. The Department of Defense, like other departments with appropriate capabilities, will be committed to that fight.

QUESTIONS SUBMITTED BY SENATOR ROBERT DOLE AND SENATOR NANCY KASSEBAUM

Seantors DOLE and KASSEBAUM. Will you oppose any effort to establish RFP requirements or specifications not required for the product sought?

Mr. TOWER. The Department of Defense should not impose requirements or specifications that are not necessary. Unless a requirement or specification adds value in some appropriate sense to the acquisition, it should not be imposed.

Senators DOLE and KASSEBAUM. Will you oppose any effort to change established RFP requirements or specifications for reasons other than a changed military mission of the product sought or a change in the threat environment in which that product must operate?

Mr. TOWER. The Department of Defense may change established RFP requirements or specifications when the military mission of a product changes, or when the threat environment in which that product must operate changes. These are not, however, the only reasonable bases for changing established RFP requirements.

Changes to established RFP requirements may also be necessary to respond to changes in legal or economic circumstances, such as the need to:

Respond to enactment of new laws or issuance of new regulations, such as those imposing new occupational safety or environmental standards;

Clarify a misinterpretation of RFP requirements or specifications;

Encourage improved competition; or

Encourage greater efficiencies, such as through the use of non-developmental, commercial off-the-shelf items.

Senators DOLE and KASSEBAUM. To be specific, this year the Air Force will compete candidates for procurement of 211 jet aircraft for the Tanker-Transport Training System of TTTS. At least three U.S. airframe manufacturers plan to compete their aircraft. In addition, an Israeli and a British company have each teamed with an American company to compete for the TTTS contract. Within the powers of your office, can you assure the American people that such foreign companies, directly or teamed with American companies, will enjoy no advantage arising from a commitment unrelated to mission or threat made by the U.S. Government to a foreign government?

Mr. TOWER. The Department of Defense, within its powers, will seek to obtain the quality of goods and services the Department needs at the best prices. Generally, foreign companies should not be given an advantage over U.S. companies, and full and fair economic competition should decide who receives a contract.

[Whereupon, at 1:04 p.m., the committee was adjourned.]

NOMINATION OF JOHN G. TOWER TO BE SECRETARY OF DEFENSE

THURSDAY, FEBRUARY 23, 1989

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

The committee met, pursuant to notice, at 6:35 p.m., in room SD-608, Dirksen Senate Office Building, Senator Sam Nunn (chairman) presiding.

Committee members present: Senators Nunn, Exon, Levin, Kennedy, Bingaman, Dixon, Glenn, Gore, Wirth, Shelby, Byrd, Warner, Thurmond, Cohen, Wilson, McCain, Wallop, Gorton, Lott, and Coats.

Other Senators present: Senators Boschwitz and Chafee.

Committee staff members present: Arnold L. Punaro, staff director; Andrew S. Effron, general counsel; Marie Fabrizio Dickinson, assistant chief clerk; Daniel Sakura, research assistant.

Professional staff members present: Robert G. Bell, Sherri Wasserman Goodman, David S. Lyles, and Frederick F.Y. Pang.

Minority staff members present: Patrick A. Tucker, minority staff director and counsel; Romie L. Brownlee, deputy staff director for the minority; Inga B. Schoonover, special assistant; Robert F. Bott, Brian D. Dailey, Jonathan L. Etherton, Judith A. Freedman, Durwood W. Ringo, Jr., Mark B. Robinson, and Ann Elise Sauer, professional staff members.

Staff assistants present: Tiffany E. Berger, Barbara L. Braucht, Barbara Gallo, Mary J. Kampo, and Kelli Pronovost.

Committee members' assistants present: Jeffrey B. Subko, assistant to Senator Exon; William J. Lynn, assistant to Senator Kennedy; Edward M. McGaffigan, Jr., assistant to Senator Bingaman; Charles C. Smith, assistant to Senator Dixon; Milton D. Beach, assistant to Senator Glenn; Jefferson B. Seabright, assistant to Senator Wirth; Terrence M. Lynch, assistant to Senator Shelby; Dale F. Gerry, James M. Bodner and Christopher Mellon, assistants to Senator Cohen; Mark J. Albrecht, assistant to Senator Wilson; Jack D. Crouch II, assistant to Senator Wallop; and Christine Dawson, assistant to Senator Gorton.

OPENING STATEMENT OF SENATOR SAM NUNN, CHAIRMAN

Chairman NUNN. The committee will come to order. Tonight the Armed Services Committee meets to make a recommendation to the Senate on whether President Bush's nominee for the Secretary of Defense, John Tower, should be confirmed for this high position.

This nomination process has been a painful experience for the nominee and his family and his friends, and it has certainly been difficult for the members of this committee, many of whom served in this body with the nominee and know him well as a friend or a colleague.

We must, however, carry out our constitutional responsibilities. The Constitution reflects the firm conviction of the Founding Fathers that the investiture of individuals in positions of great governmental authority is not the exclusive domain of the President.

They clearly set forth the principle that this responsibility is best shared between the executive and legislative branches, with the President nominating and the Senate confirming.

During last year's Presidential campaign, then candidate Bush put ethics at the center of his agenda and promised that high standards would be required when he took office. In one of his first speeches as President, Mr. Bush called government service a public trust and he vowed, quoting him, "The guiding principle will simply be, to know right from wrong. To act in accordance with what is right, and to avoid even the appearance of what is wrong."

President Bush was not the only one who was intent upon improving the ethical standards of high Government officials. Last summer, this committee initiated an informal examination of the standards that should be applied to civilian appointees in the Department of Defense.

As part of this inquiry, the committee sought the views of a number of outside experts including former Secretaries of Defense Melvin Laird, James Schlesinger, and Harold Brown, as well as Charles Bowsher, the head of the General Accounting Office.

On October 28, 10 days before the Presidential election, Senator Warner and I, who had worked on this together for many months, wrote to both Vice President Bush and Governor Dukakis to explain the qualification standards that would be proposed to guide the committee's consideration of persons nominated by the President for civilian Defense positions.

Those letters were sent prior to the election to make it clear that we intended to apply these qualifications to the new Defense appointees whether under a Democratic or Republican President.

On November 29, 1988, the committee held a formal meeting at which the members considered and endorsed the standards and procedures for use in the review of nominations submitted by the incoming administration.

Among the standards which we agreed were necessary for Department of Defense nominees, not simply the Secretary but also for other high-level officials, were that nominees must be of unquestionable integrity and suited by temperament for the demands of managing our Nation's military forces.

The Office of Secretary of Defense is unique in the Cabinet. The Secretary of Defense is in the chain of command for military operations, which runs from the President to the Secretary of Defense to the unified and specified combatant commanders in the field. The President and the Secretary of Defense constitute what is termed the "National Command Authority" for U.S. military forces and nuclear weapons.

The Secretary of Defense is, in essence, the Deputy Commander-in-Chief. Just like the President, the Secretary of Defense must be prepared to carry out his military command responsibilities 24 hours of each day. Many crises over the last 20 years demonstrate the round-the-clock, military command duty of the Secretary of Defense. These include: the seizure of the U.S.S. *Pueblo* by North Korean forces, which occurred shortly after midnight, Washington time, on January 23, 1968; the bombing of the Marine barracks in Beirut, which occurred at 11:22 p.m., Washington time on a Saturday night, October 23, 1983; and the shooting down of Iran Air Flight 655 by the U.S.S. *Vincennes*, which took place at 2:55 a.m., Washington time, on Sunday, July 3, 1988.

In addition to commanding military operations the Secretary of Defense is also the leader of our military establishment. He must be able to inspire high standards of behavior on the part of his subordinates. Indeed, his ability to lead depends in large measure on whether he commands the confidence and the respect of his subordinates. Because lives, careers, battles, and the security of the Nation are at stake, we have consistently insisted on the highest standards of moral conduct and integrity for the professional military officer corps. The example that the Secretary of Defense sets will significantly influence whether these high standards are maintained.

On December 16, 1988, when President-elect Bush announced his intent to nominate Senator Tower, the FBI report had not been completed. Instead, he was provided with a document described as a "Summary Memorandum containing the partial results of the investigation of John G. Tower." That is what we now call Chapter 1. Since then, six additional chapters of the FBI background investigation have been completed. The first part of the FBI report Senator Warner and I received on behalf of the committee was on January 7, which contained the first three segments of that report. Additional inquiries have been ordered by the FBI as late as last night on recent allegations received by the committee.

We on this committee have made no rush to judgment. I believe that every member has approached this task with a sincere effort to vote in the best interests of our Nation. I believe that about Members on both sides of the aisle.

I want to pay personal tribute to Senator John Warner and to his chief counsel, Pat Tucker, because this investigation, whatever the outcome and whatever our individual votes may be, has been conducted jointly, with our staffs working together as a team; with Senator Warner and myself consulting as a team each and every day not because we agreed on what the outcome would or should be, but because we felt that was indispensable if we were going to have an orderly process in the process. So I tip my hat, Senator Warner, to you, and also, Pat Tucker, to you.

I can recall few equivalent instances on major issues in my Senate career where my colleagues were so genuinely torn by the evidence, and undecided in their position until the time to vote had arrived.

As I have indicated in previous public remarks, I have made every effort to look at the cumulative record related to the key issues in this nomination, including allegations concerning alcohol, women, and financial matters. I have also listened to members of this committee on both sides of the aisle, whose views both favorable and unfavorable to the nominee have helped shape my own conclusion.

The committee has spent a great deal of time looking at the question of Senator Tower's use of alcohol. There are serious allegations in the record based on a number of first-hand personal observations. These include incidents in the very recent past, as recently as in the past year. Those can be given weight. There is a rebuttal to some of them. Everyone has to give weight to them. But the allegations are there.

There is also evidence on the other side of this question. There is the record of Senator Tower's performance in Geneva and on the Tower Commission as well as his service in the Senate. By all accounts, Senator Tower performed well in these assignments. There are also a number of testimonials by distinguished Government officials and Members of the Senate, including members of this committee like Senator Cohen and Senator McCain, whose views I greatly respect.

I weighed this solid record of public service heavily in my decision, but the record of alcohol abuse by the nominee cannot be ignored, in my view. The questions the committee has to ask are whether Senator Tower has shown a pattern of excessive drinking in the past; if so, whether he has acknowledged and dealt with this problem; and whether this pattern continues into the recent past or even today.

In my view, the record of the FBI report and the committee's own review show a clear pattern of excessive drinking and alcohol abuse by the nominee during the 1970s. His close associates and friends have conceded that John Tower had a drinking problem in the 1970s. In the last few days, the administration has acknowledged that the nominee had a pattern of excessive drinking during this period.

The evidence available to the committee indicates that the number of incidents in recent years are fewer in number, although against the background of the drinking problem in the 1970s, as I view it, they are still serious in nature.

I have searched in vain for several weeks for a point in time when the nominee himself acknowledged this problem and dealt with it decisively. The nominee made it clear that he has never sought medical assistance for his drinking problem. There are a number of inconsistencies in Senator Tower's own comments to the FBI and to our committee in terms of his use of alcohol.

Department of Defense directives state very clearly that alcohol abuse is incompatible with the maintenance of performance, military discipline, and readiness. Military commanders state that the selection and assignment of military members to sensitive positions—positions of command or those involving responsibility for nuclear weapons—are so rigorously controlled that alcohol abuse would result in immediate disqualification or transfer.

The committee also examined a large number of allegations concerning the nominee's behavior toward women. I believe the committee's record on this issue demonstrates no finding of liaisons with female foreign nationals, and hence no security violations that such activities would entail. I also believe that the record does not support the allegation that the nominee exerted sexual pressure on employees and associates of the opposite sex. There are, however, some examples of conduct which I find indiscreet and which call into question both judgment and example. These are not decisive, in my judgment, but they add to the cumulative body of concern that I have about this nomination.

The Ill Wind investigation into Department of Defense procurement fraud—coming less than 2 years after the Packard Commission described the acquisition system as "fundamentally ill"—has substantially undermined public confidence in the acquisition process. One of the top priorities of the next Secretary of Defense must be to restore confidence in the Defense procurement process as well as the management system.

Senator Tower has no continuing financial interest in any of the companies for which he provided consulting services during the last few years that would require recusal as a matter of law. However, there is a significant public perception of a conflict of interest arriving from his receipt of large amounts of money from major contractors in return for the services he performed.

This is not a classic conflict of interest issue that can be resolved by reference to the rules governing divestiture and recusal. Rather, it reflects a fundamental policy judgment as to whether the individual can command the public confidence which is required if he is to lead the effort to devise and implement significant acquisition reforms in the Department of Defense.

There is much in Senator Tower's record which is highly commendable. I believe that John Tower is a loyal, patriotic American, who has a solid record of public service. I also believe that he is dedicated to our Nation's security.

For me, however, this is not enough.

I am skeptical as to the nominee's ability to restore public trust in Pentagon management.

I am concerned as to his ability to command the confidence and respect of his subordinates and to set the moral standards for the men and women in uniform.

Finally, I cannot in good conscience vote to put an individual at the top of the chain of command when his history of excessive drinking is such that he would not be selected to command a missile wing, a SAC bomber squadron or a Trident missile submarine.

Leadership must be established from the top down. Standards must be set from the top down. If we want the sergeant at his post on the DMZ in Korea, or the lieutenant standing alert with her SAC refueling tanker in the Midwest to meet the high standards asked of those who wear our Nation's uniform, we must make that clear here in the U.S. Senate.

With considerable reluctance but with a clear conscience, I will vote no on the Tower nomination.

Senator Warner.

Senator **Warner**. Mr. Chairman, I first express my appreciation to you for the full cooperation that you have accorded me, representing as a trustee for all Senators on this committee as well as all Senators in the Senate, a full partnership in performing those steps that have brought us to this historic moment in this hearing.

Indeed, you have been fair and objective throughout in the treatment of not only me personally but our staff, and that is unprecedented in the history of this committee. When I first joined the committee, and subsequently when I was in the majority, that same level of cooperation did not exist in the context of the advice and consent role on Presidential appointees.

Mr. Chairman, we part at this juncture, for I cast my vote for John Tower. I shall be brief and to the point. I practiced law before I was privileged to come to this institution and represent the Commonwealth of Virginia, and indeed the other States of our Union, as a U.S. Senator.

I spent many years as a trial lawyer, over 5 as an Assistant U.S. Attorney, so I have some familiarity with investigative processes, those of the FBI, and some ability to evaluate witnesses who make contributions, such contributions being of importance to this committee and I have worked with you carefully and diligently, as we both know, in assessing this evidence.

Much of this evidence represents but a cobweb of fact, fiction and fantasy, and therefore I had to look elsewhere for a body of evidence which I found uncontroverted and fully corroborated, and it was to be found right here in the institution of the U.S. Senate. John Tower served here for 24 years, chairman of the very committee that tonight is rendering judgment on his qualifications to serve as Secretary of Defense.

In the course of that service I have been with him under the widest variety of circumstances, indeed alone on travel to distant lands. I remember so vividly that when this Nation experienced the tragedy of the bombing of the Marine barracks he said to me, John, you are a former Marine and Navy Secretary, let us go and see with our own eyes and visit with those men.

That trip embraced much of the Middle East, traveling day and night with very little sleep under situations of comparative hardship. Never once did I see that man ever indulge in any way in terms of his personal habits that would reflect anything but credit and honor upon the institution of the U.S. Senate and a country that he loves so dearly and has served so long.

Now that is my observation, but I have talked with every single Senator who has served with him in this institution and who is here today, and many of those who have gone on to retirement and other ventures. Not one single U.S. Senator, not one, who has served with John Tower, can ever recall a single instance where any of his personal habits interfered with his duty. Not one. So that body of evidence is in sharp contrast to the balance which in my judgment renders little, although men of good conscience, and women alike, can differ in the interpretation.

My second reason for voting for John Tower is that the man that probably knows him better than all Senators that have served with him has now been elected overwhelming by the people of the United States of America as their chief executive officer, the President of the United States, George Bush.

You and I together on one occasion, and I on another, have had extensive talks with the President. If there was ever a doubt in my mind, the President's knowledge of this individual removed it.

The President knows this man. He recognized full well that the nomination would be an unusual and a unique one, and indeed it represents a benchmark in the history of this institution. No less than 400 individuals by any count have been interviewed and have come forth in one way or another to express their views. Many of them being U.S. Senators and others who have held positions of great responsibility in this country.

Based on his knowledge and his need, and underlying the word need, for the services, the advice and the counsel of John Tower, the President has selected him to be Secretary of Defense and has forwarded his name to the Senate.

I have searched, as I am certain other Senators have, back into the sinews of this organization to determine what are the criteria that have guided our predecessors in times where nominations have been contested. There is an interesting footnote in history. On June 16, 1789, the first nomination was made to the U.S. Senate, a gentleman by the name of Short, to become Minister to France, such that George Washington could bring back Thomas Jefferson to become the first Secretary of State.

And since that time the thousands, several thousand individuals have been named by Presidents to become a member of their team and the Senate but a mere 11 times has rejected those nominations.

Eleven out of thousands. That indicates to me, and indeed tradition and history confirm it, that while this institution is by no means a rubber stamp, historically we have accepted the President's judgment and his decision that he needs an individual to serve him in a specific capacity. That decision and that judgment has been rendered by the President of the United States, George Bush. I accept it and I shall vote for John Tower.

Chairman NUNN. Thank you, Senator Warner. Senator Exon.

Senator EXON. Mr. Chairman, I want to start by thanking both the chairman of the committee and the ranking member, Senator Nunn and Senator Warner. I have been on this committee for 10 years, and I have never seen a more difficut decision that the committee has been called upon to make.

Through this, the bipartisan cooperation and understanding between our two committee leaders has just given us all kind of an uplift because we recognize how hard they have worked. They have led us well.

Like all members of this committee, this has been a most painful experience for me. When hearings began, I fully intended to support the nominee. As the hearings progressed, I experienced increasing concerns in a whole series of areas, but primarily with regard to the drinking problem. After sweating it out, like all of us have, I finally came to the conclusion, right or wrong, that in the final analysis, my conscience would not tolerate a positive vote.

I came to the realization that it was in my best judgment that, while I might be in error, the overriding consideration had to be what I thought was in the best interest of the national security interests of the United States.

Therefore, notwithstanding the significant contributions that John Tower has made to national defense and his considerable expertise in this area, and his obvious basic qualifications, I have determined that we should look elsewhere for a Secretary of Defense, all other things aside.

Although the whole picture is important, the drinking problem caused me the most concern. John Tower testified in open and closed session that we could not tolerate a Secretary of Defense who had a drinking problem. The nominee has refuted any and all allegations as untrue with regard to alcohol abuse, conflict of interest and sexual excesses.

In rebuttal to those denials, I would cite the many first-hand reports, as opposed to second- or third-hand reports, in the FBI file, that are in sharp disagreement with those statements by John Tower. The specific details are available to individual Senators in the classified FBI file.

I am aware that many solid individuals said in the FBI report that John Tower either never had a drinking problem or has it licked. Indeed, if I had been interviewed before the hearings, I would have given him a positive rating. Like most of the members of this committee, I have never seen John Tower inebriated.

And we may incorrectly assume that he is, therefore, only a social drinker. It is unwise, I suggest, to maintain that just because a Member of the Senate has not personally seen indiscretions, that they do not exist. The system may not always be entirely fair, but it works.

As I have said many times, during the past 2 weeks, 90 percent of all the charges and allegations, inside and outside the FBI report, were, in my opinion, unfair garbage. The remaining 10 percent were major enough to give me concern.

I do not want to be prudish, but I believe there is more than adequate established patterns of serious concern, including a possible alcohol problem and a clear pattern of behavior around women that, at best, is unbecoming for a Secretary of Defense.

All of this is very highly questionable, as an example for the Secretary of Defense to set for the professional military personnel under his direction—the key test.

Notwithstanding the White House spin control on the FBI report is that John Tower, most likely could not qualify for duty at the Strategic Air Command Control Center in Omaha.

He has an exceptional talent that could be put to use but, with regrets, I must conclude not as Secretary of Defense.

I hope that we can report this nomination to the Senate for its disposal but with a negative recommendation.

Chairman NUNN. Thank you, Senator Exon.

Senator Thurmond.

Senator THURMOND. Mr. Chairman, first I want to commend you and Senator Warner for the time you consumed in studying this nomination. I agree with Senator Warner. I want to say, first, that I have known John Tower since 1961 when he came to the Senate to succeed Lyndon Johnson.

I have known him for all these years, and I do not think anyone questions his integrity, his courage, his dedication or his ability. I do not think anyone questions his military expertise. He is probably one of the best-informed men in this Nation on military matters. He knows the military establishment. He knows the Pentagon. He knows what needs to be done. In my opinion, he will make an excellent Secretary of Defense.

Senator Tower has served in many positions of trust. I think this is worthy of consideration. He served as a college professor for a number of years and was highly respected: respected by students, respected by the administration, and respected by those faculties.

He served as U.S. Senator here for 24 years, from 1961 to 1985. He served as a negotiator, with the rank of Ambassador. In World War II, he served in the Navy and served his country in uniform. He knows defense. He understands defense. And when he left the Armed Services Committee as chairman, every branch of the Defense Department extended honors to him, gave him plaques and other honors, signifying the great service he rendered as chairman of this Senate Armed Services Committee.

Are all of those things worthwhile? Are his character and integrity worthwhile, his courage, his service to his country in World War II in uniform worthwhile, his service in these various civilian capacities worthwhile?

Are we going to turn this man down on hearsay, innuendos, charges that are unfounded? President Bush, as has been stated, probably knows him better than any other man on this committee. He knows him well. Do you think he would have picked him if he was not qualified?

Do you not know that it would bear back on him if he did something indiscreet or did not perform well? President Bush picked him because he knew of his good qualities, he knew of his past performance, he knew that John Tower is as well qualified to be Secretary of Defense as any man in the United States.

President Bush had him investigated, however, before he was appointed. The FBI went out and investigated among people from all levels of life and found no charges against him and, therefore, he recommended him to the Congress to be appointed and to the Senate to be confirmed, before he was appointed. After he was appointed, charges came up and he was investigated on those charges.

Charges came here to the Senate Armed Services Committee, charge after charge, and it seems that these things were orchestrated by somebody. As soon as you got through one charge, you had another charge. And here it has been 2 months almost and charges are still coming, but the FBI found those charges unfounded. I repeat that. They are without foundation.

Are we going to turn a man down with the life and character of this fine man here, after all of the good service he has rendered, the good character he has exhibited throughout life, the great service he has had? Are we going to turn him down now, on unfounded charges?

I want to say that it is perception that is fighting this committee. It is not the truth, it is perception. And I have seen it in the Senate before. I have seen the media, time after time, bring perception and cause people to vote when I do not think they would have voted otherwise.

I was in South Carolina last week, and the first thing I would hear when I got up in the morning was another charge against

John Tower—charge after charge, during the day, charge after charge against John Tower, at night. Charge after charge.

Not one time did I hear the media say that the charges have been investigated and found without merit. The FBI has found these charges without merit. And I say to you, in all fairness, what we ought to look for is the truth. And this committee ought to have the courage to do what it thinks is right, regardless of perception.

Perception should not control this committee. Perception should not control this country. Perception should not control this Congress. It ought to be the truth. And when you get the truth, John Tower would be confirmed.

Chairman NUNN. Thank you, Senator Thurmond.

Senator Levin.

Senator LEVIN. Mr. Chairman, first let me thank you and Senator Warner for the fairness and the decency with which you have conducted this very, very difficult matter. It is customary and characteristic of you both, and you have carried on in that typical way, under the most extraordinary circumstances.

I cannot vote to confirm Senator Tower for a number of reasons. First, I believe it would be very difficult for Senator Tower to effectively address the revolving door and conflict of interest problems at the Department of Defense.

When he was our chief negotiator to the long-range nuclear missile talks in Geneva, he was in possession of some of this country's most sensitive information. Some of that information pertained to which weapons systems we hoped, through those negotiations, to prohibit, and which ones we hoped to permit.

He left those ongoing talks and became a consultant to companies involved in producing those same systems. And part of his job description included advice on the probable outcome of those talks.

Senator Tower testified that he did not disclose classified or confidential information. I do not challenge that in any way. What he did do is provide his clients with what he termed "enlightened advice," for which he was paid large sums of money. That "enlightened advice" included his opinion on how the probable outcome of those ongoing confidential talks might affect the "product development," as he put it, of his clients.

Congress is in the process of trying to address the revolving door problem—a critical issue facing the Pentagon in its efforts to gain the public's confidence in the procurement process.

Senator Tower said he saw no bad appearance in the type of consulting activity that he undertook shortly after he left his job as negotiator of those talks. I do see a bad appearance. And I believe it would make it difficult for him to address effectively the revolving door and procurement problems that face the Pentagon.

Second, I remain troubled about the alcohol issue. White House officials were wrong when they asserted that the FBI file discloses, "no corroborating witnesses" to prove that Mr. Tower had a drinking problem in recent years, and that "not one allegation about excessive drinking by Senator Tower could be corroborated."

White House officials can reach whatever conclusions they want from the FBI file, but the facts speak for themselves. Their characterizations of those facts were wrong.

Just as reasonable people will disagree on other aspects of this nomination, reasonable people can reach different conclusions from the FBI files, as to whether Senator John Tower engaged in excessive alcohol usage in the 1980s.

But in my opinion, it cannot be reasonably argued that there are no interviews with identified eyewitnesses in that FBI file. Witnesses with no known motive to lie, who said they saw Senator Tower during the 1980s either drinking to excess or who describe the after effects of such drinking.

We must judge Senator Tower as we would someone who is not a former colleague: no better and no worse. The requirement to sit in judgment comes not from our being without sin. The requirement to render our best judgment comes from the Constitution of the United States.

The President is entitled to someone in whom he has confidence, of course, but the Nation is also entitled to someone in whom it has confidence. The requirement that the Senate vote on whether to confirm the President's choice helps assure that confidence.

John Tower is qualified in terms of his vast knowledge of defense, but he falls short in the area of sensitivity to appearances created by the revolving door through which he, himself, passed, and he falls short in winning my confidence that his excessive drinking problems ended in the 1970s.

Presidents are entitled to substantial leeway in selecting their Cabinets. But this appointment for Secretary of Defense, the number two person in the chain of command and a person who must lead the Pentagon through an exceedingly difficult period—this appointment, for this position, at this time in the Department's history, I regret to say, falls unacceptably short.

Chairman NUNN. Thank you, Senator Levin.

Senator Cohen.

Senator COHEN. Thank you, Mr. Chairman.

Let me commend you and Senator Warner for your conduct of the hearings and also for your statements this evening. I would ask your permission to include an article that appeared in the Washington Post, written by an author that I have the utmost confidence in.

Chairman NUNN. I saw that article and it was well written. It will go in the record without objection.

[The information follows:]

LONESOME HAWK—THE CASE FOR JOHN TOWER

(By William S. Cohen)

Millions of Americans recently were treated to a television mini-series about the Old West, a saga filled with a good measure of violence and heartbreak. In one scene, two people were shot, hanged and then set afire. The gruesome image of their charred, swinging bodies might serve as a metaphor for John Tower's experience as a nominee for Secretary of Defense. He had been drilled with allegations, hung out on a limb over a bonfire that crackles with rumor, double hearsay and inspired innuendo. Some now suggest that Tower has been too badly disfigured to be effective and wistfully hope that President Bush will be decent enough to cut down his friend and transport his body back to Texas for burial.

The president, who recognizes that it may be important to cut one's losses, knows that it's more important not to cut and run from controversy—particularly one that was foreseeable if not foreseen.

It was clear from the very beginning that the Tower nomination was bound to be controversial. Tower is not one who has walked gently through public or private life. He is a man of strong convictions, a tough competitor who has minced few words and crunched not a few toes. This description might fit any number of Texas politicians. Some find Tower too hawkish; for others he is not quite hawkish enough. This division of opinion would indicate that Tower has engaged in the rare practice of thinking about defense-related issues, rather than simply eating ideologies for breakfast. This, of course, could be said about the president himself.

But critics argue that Tower's past conduct and associations make him unfit to fulfill the defense secretary's duties. They charge him with alcoholism, infidelity and high-priced gunslinging for defense contractors.

If credible evidence exists that John Tower has a serious problem with alcohol, then the Senate would be duty bound to reject his nomination if the president refused to withdraw it. A Churchillian fondness for brandy is not tolerable in lesser mortals, particularly not in one who would sit in our nation's chain of command in the nuclear age. John Tower has never claimed to be either a teetotaler or monastic. However, on no occasion in the years that I have served and traveled with him did I ever see him drink excessively or conduct himself in a manner that would discredit him or his office. Moreover, to my knowledge, not a single Senate Armed Services Committee member, START negotiator or Tower Board member has observed anything to the contrary. There are people—many of whom remain anonymous—who claim they have observed Tower in less upright circumstances in the past. Clearly, we should give disinterested citizens an opportunity to express their opinions about Tower's conduct, but we should not give their opinions disproportionate weight just because they purport to be disinterested.

A Cabinet secretary's conduct need not be that of a priest, but it cannot be that of a Sybarite. Our committee has received many accusations of misconduct by Tower but very little persuasive proof. Unfortunately, rumors and falsehoods repeated often enough are soon trumpeted about town as truths.

The more substantive charges about Tower involve allegations that he was too highly paid by too many defense contractors. One witness suggested that we could speculate whether Tower had been compensated for past services as chairman of the Armed Services Committee or for future favors as Secretary of Defense. Speculation of this sort, without factual support, is particularly invidious. If Tower had engaged in such arrangements, he would be subject to indictment rather than confirmation.

It is argued, however, that because Tower's consulting services were either vast or overvalued there remains an appearance of conflict of interest. Perhaps so, but appearance must also be balanced against actuality. The Secretary of Defense must comply with the laws mandated by Congress. Except in those specifically limited cases, he must award contracts to the best competitor. There are football fields full of procurement regulations that must be followed. There are whistleblowers who will cry foul if favoritism prevails over merit.

In addition, there is John Tower's record as a public servant. There has been no persuasive evidence that he ever traded his public duties for private gain. Notwithstanding his close relationship with Ronald Reagan, who raised large sums of money for Tower's political campaign, Tower never shaded the truth in criticizing the Reagan administrations handling of the Iran-Contra affair. If these factors are insufficient to allay apprehensions that Tower would do anything but serve the best interests of the nation, there remains the Congress itself. Congress does not award contracts, but it does fund programs, modify or cancel them. It possesses the ultimate veto over poor judgment or impropriety.

Congress, adept at exempting itself from laws it imposes on others, should be wary of passing judgment on mere appearances. Most members solicit and receive political contributions from sources that are the subject of legislative interest: banking, housing, telecommunications, agriculture, defense, to name but a few. To be sure, the amounts that can be given by interest groups are limited, but the combined total can be quite significant. No doubt each member justifiably can claim that such contributions have no undue influence on the legislative process. If we are able to maintain our integrity as judges of the interests of those who have supported us, it is reasonable to ask how we could justify imposing a different standard upon others.

Finally, for the Senate to reject John Tower, it would have to conclude that the president, who served his country as a combat veteran of World War II, as director of central intelligence, who stood for eight years a heartbeat away from the Oval Office and who now serves as commander in chief of our armed forces, is less committed to the national security interests of the United States than are members of the Senate. That is a judgment that will have to be based on very clear and convincing evidence—which is yet to be found in our deliberations.

Senator COHEN. I thought I might save a bit of time tonight, since I am sure that everyone here wants to have an opportunity to express their views and I am not sure that I can improve upon the views that I express in that article.

Let me say, Mr. Chairman, that President Bush believes that John Tower is fit to be his Secretary of Defense, and it is my judgment that if the Senate is to reject him, this committee is to reject him, that we have to have very clear and convincing evidence that the President's judgment is either deficient or otherwise impaired: that he does not want and will not receive a 24-hour a day Secretary of Defense; that he is insufficiently concerned, or perhaps even indifferent to, allegations pertaining to the nominee's propriety, indeed sobriety, of conduct.

T.S. Eliot once wrote that we are not here to verify. Now, that may be true for poets; it is not acceptable for politicians. It is our obligation to ascertain facts and to verify them.

And so what is the evidence? We have a variety of evidence that has come into the committee. I would put first our own personal experience and observations, much of which you have heard about tonight.

Now, I do not know what John Tower's drinking habits were prior to the time I met him back in 1979. I am willing to stipulate that he drank excessively on occasion. Senator Tower, himself, has indicated that in testimony to this committee.

I would be willing to stipulate that provided that we also stipulate that he was fully able, at all times, to carry out every single responsibility reposited in him during that time.

I have observed John Tower since 1979 and become a very close friend of his. I also know that there is not one member on this committee who has served with John Tower that has ever indicated that he has seen John Tower under the influence or inebriated, or in any way conducting himself in a manner that would bring discredit to his office.

I believe the same can be said of the Tower Commission, and the START negotiators, and others who have traveled and worked with John Tower. None have seen him inebriated or out of control of his faculties.

Now, I suppose it is possible that John Tower has been able to conceal this alleged problem with alcohol from those who work closely with him—never revealing a tremor in his hand, a slur in his speech, an unsteadiness in his walk.

I think that is highly unlikely, but conceivable. But how many times have I stood on the Senate floor and listened to the chairman, the distinguished chairman of this committee, and the distinguished ranking member, praise John Tower for his intelligence, his endurance, his negotiating skill? Was there ever a time when he was not able, in their judgment, to carry out the heavy responsibilities he had as chairman of the Armed Services Committee?

We heaped him with accolades time after time for the extraordinary amount of energy, endurance, capability that he showed while serving as chairman of this committee.

How many members have traveled to Munich recently with John Tower from this committee to a very important defense meeting, and listened to John Tower present the American view on defense issues to the NATO Defense Ministers?

Was there any one of them who would tell you that he revealed anything but a sharp, unclouded mind, a logical thought process, and compelling rhetoric? Was it the behavior of a man with a serious drinking problem? Did anyone, and there were network representatives in the audience—NBC, ABC, CBS, not as journalists but as participants—was there anyone there who witnessed unbecoming activity or conduct on the part of John Tower?

So we have our experience to call upon. Yet, some suggest, that just because we have not seen him inebriated, this does not mean that he is not more than a social drinker. I suppose you could follow the logic that if you saw someone who was a social drinker, inevitably he must be concluded to have a more serious drinking problem.

But let us weigh our personal experience against that of the evidence that was presented to the committee. And we had several types of evidence—direct evidence, open testimony given by at least two witnesses.

One of the witnesses, who testified before our committee, indicated he had a source in Geneva that he refused to identify publicly. And when he was questioned in private, he also refused to identify his source. And I am going to take the liberty to say that he expressed an apology at that meeting for having raised the issue in public because it was improper to do so under the circumstances.

That part of the story has not been told. We had confidential evidence that was presented. And one of our members has said, the witnesses certainly had no motive to lie. It does not mean that because they had no motive to lie they necessarily presented accurate testimony. We had one major story which burned the networks night after night, and the stories and the bylines of the wire services, about a drunken escapade with a Russian ballerina. And we are precluded from discussing the details of the report, but I believe that it is a fair characterization to say that that particular story, which I found so damaging, so irresponsibly damaging, has absolutely no merit whatsoever, and has been completely discredited.

We have had another person talk about an extraordinary amount of alcohol that had been consumed by John Tower. And I might point out that I think the witness leaves much to be desired in terms of reliability about dates, place, destination, and, indeed, volume.

All of us are called upon to weigh the value of testimony. Mr. Adelman, a very respected individual, wrote a column which got wide coverage. And when he was called upon and he was asked, where is the beef, or what is the beef? He responded with some, I think, very weak generalizations.

And so, I have to ask the question—is the committee to give greater probative value to the unsworn statements by largely unidentified people, than to our own experience, than to that of a General Scowcroft, to a Howard Baker, to a Max Kampelman or, indeed, to President Bush himself?

To that I must conclude an overwhelming, no. This is an extraordinary action that is being taken tonight, and it should not go without notice that President Bush is in Japan tonight.

And I believe we do a great disservice to him and to John Tower himself. And a final point, on appearances. Certainly all of us should be concerned about appearances, but if appearance is to govern, rather than actuality, then I would respectfully submit that most of the Members of Congress would have to disqualify themselves from passing judgment upon legislative matters that come before the Congress.

Each of us solicits, we receive contributions, substantial in total, from a variety of sources—agriculture, telecommunications, business, defense—and yet, we are able to pass judgment upon the merits or demerits of those respective interests.

I think that we have a double standard in saying that John Tower, because of his past associations, is unable to look at the merits of a case and pass judgment on those merits.

I would further point out that there are checks and balances against executive abuses or improprieties. There are rules that have to be followed—procurement rules that Senator Levin, myself, and others have been responsible, at least, for promoting.

There are checks within the system from whistleblowers. There is the integrity of John Tower himself. But most of all there is Congress. We serve as the ultimate check against any impropriety. We are the ones who fund the programs, modify, cancel them, and, indeed, we serve as the ultimate veto over indiscretion or impropriety.

So, Mr. Chairman, I said I was not going to take long and I am taking long. But I think when you weigh the totality of the evidence, and measure that against the standard as to whether or not we can find by clear and convincing evidence that President Bush is not as concerned about the chain of command as we are, then I believe that we have been found wanting in that regard.

I believe the President deserves to have John Tower and that John Tower deserves the position.

Chairman NUNN. Thank you, Senator Cohen.

Senator Kennedy.

Senator KENNEDY. Thank you, Mr. Chairman.

I, too, want to join those who commended Senator Nunn and Senator Warner for the way that they have developed the course of the hearings and the way that they have considered this nomination. I think it has been a great service, not only to this committee, but to the U.S. Senate and to the American people.

I think this has been an extraordinary experience, and both of you deserve enormous appreciation, not only by the members of the committee, but also by the American people for the way that this nomination has been considered.

I oppose Senator Tower's nomination to be the Secretary of Defense. As others have said, the President of the United States deserves broad leeway in selecting the key officials who will serve in his Cabinet. The Senate of the United States has its own constitutional responsibility to give advice and consent to the nominations of the President.

And on almost all occasions, the Senate defers to the President, and his nominations are approved. But on rare occasions, such as the one before us, it is the Senate's duty to the Constitution and the country, to say no to the President and ask him to choose again.

Few offices in our Government are more essential to our Nation's future and to our very survival, than the position of Secretary of Defense.

As proceedings on this nomination have gone on, I have been increasingly troubled by the allegations of the conflict of interest involving Senator Tower.

Perhaps in spite of his extraordinarily lucrative financial ties to the country's largest defense contractors involving hundreds of thousands of dollars, Senator Tower could still bring an open mind to the awesome decisions that lie ahead on our national defense. But America should not be forced to take that chance.

Senator Tower is a man of great talent, who has served his country with distinction and dedication and genuine ability over many years, but he should not be confirmed as the Secretary of Defense.

Chairman Nunn. Thank you, Senator Kennedy.

Senator Wilson.

Senator Wilson. Thank you, Mr. Chairman.

The Constitution does, indeed, impose an awesome responsibility on the Senate, in terms of our duty to recommend or fail to recommend confirmation of the President's nominees for important Cabinet positions.

The system does not work when, as in this instance, the confirmation process has been hijacked and corrupted. When anonymous leaks to the network evening news have unfairly and falsely depicted John Tower as unfit to be Secretary of Defense because of allegations of personal problems, drinking problems, womanizing, virtually the entire catalog that you have already heard.

But since so much attention has been given to the so-called alcohol abuse, let us give it attention. The fact of the matter is that in the period of the 1980s, as Senator Cohen has rightly focused upon, we have had precious little in the way of those who were willing to be identified. We have heard Paul Weyrich. We have had a steward, unwilling to be identified, a steward who failed a polygraph examination. We have had another alleged eye witness who, when the dates of his alleged observation were tested, it was found that he was in town, but Senator Tower was not, on three occasions.

And that is the so-called eye witness observation of alcohol abuse in the 1980s. It is, I must tell you, outweighed by the vast weight of dozens of statements by people who are not anonymous, not identified as 13, or he/she, or T-1. People who are willing to be identified, who have observed John Tower, at close hand, extensively for years in situations of stress, situations more stressful than even that that might accompany a major address to NATO ministers.

I have known John Tower personally since I came to the Senate in 1983. In 1983 and 1984, I witnessed him perform late at night under enormous stress, chairing a conference between the House and Senate Armed Services Committees. When everyone else had taken off their coats, pulled down their ties, rolled up their sleeves and wilted, and were begging to go home, John Tower sat there driving the other conferees to finish the business.

Now, let me just say that what has been anonymously leaked are unsubstantiated allegations. One of my colleagues has indicated that we have heard from people who had no motive to lie. How in the world can anyone make that statement?

We did not cross-examine these people. The FBI did not cross-examine them. They were not sworn witnesses. But I would say that I think the FBI, given the mode in which they are required to work, did as good a job as they could, inundated with requests to test this lead and that. I would submit the only way or at least the best way for the American people to gain a clear understanding that these widely publicized, leaked allegations, given so much air time on the evening news, which are without foundation, is to make public the FBI reports that contain both the allegations and the lack of corroboration or substantiation of each of those allegations.

The FBI reports contain, I repeat, dozens of statements by people who testify not just to his good character, but to the fact that John Tower, whether tested in terms of personal conduct, or tested in terms of whether or not he is capable of doing the job, all agree. They are quite willing to be identified.

If these reports were made available, if even the summaries were, what we would find is that the people who are willing to identify themselves give ample testimony. Who is it that the FBI talked to? The people who have had the opportunity to observe John Tower, his colleagues, his neighbors, waiters at the institutions where he is alleged to have engaged in this drinking—eight waiters at the Monocle, eight at the Jefferson Hotel—none of whom can recall an instance in which he was inebriated, much less not in control.

In fairness to Senator Tower, in fairness to President Bush, and to, more importantly, protect the integrity of the confirmation process, to avoid a situation in which, in fact, there is a distortion by anonymous leaks—not tested but given great publicity—it seems to me that the American people should have the opportunity to view the evidence.

And I would say to my colleagues that anyone who votes no on John Tower should be willing to state, not in general why, but specific facts upon which that decision is based.

It is not enough, it is not fair to John Tower, nor to the President, nor to the process simply to say that where there is smoke, there must be fire, not enough to generalize without specifics.

There needs to be a statement of facts relied upon, particularly when there has been so much evidence available to the Members of this body who served with John Tower. It would be wrong and unfair to speak in general terms and not cite those specific facts which contradict their own observations.

And, indeed, Members of this body have been questioned by the FBI as to whether or not in their long experience of John Tower they have known him, through their personal observation, to be guilty of conduct which would render him suspect as unfit.

A rather perceptive question was asked by Jane Pauley on the Today Show. She said, "Senator Tower was in the Senate for 24 years. Why do Members of the Senate need the FBI to tell them whether he has a drinking problem?" And yet, none of the Senators on this rostum, when they were asked by the FBI, for a moment, suggested that he would have a problem.

I think to cure the incomplete and necessarily false public image that has resulted from this selective publication of only the allegations, the complete reports should be released to the public, the identity of those who have made the unfounded allegations, who are hiding behind T–1, he/she, 13. Their identities will not be revealed.

There is no jeopardy to any national security interest in revealing the contents of these reports. And, as has been stated on the subject of conflict, let him who is without PAC contributions from a defense contractor cast the first stone.

There is no member of this committee, I am sure, who has not received contributions and none who thinks that because of the receipt of those contributions that he should foreclose himself from voting on defense authorization bill decisions.

No motive to lie? Well, I think there have been many who were revealed, even by the rather casual testing of their testimony by the FBI agents, to be highly unreliable.

I have no doubt that John Tower is, not only the smartest, toughest, most able person that we could find to be Secretary of Defense. I have no doubt that that inspires some fear among those within the defense establishment.

And I suspect that there are many who do not want him to be the Secretary of Defense. I understand full well why George Bush does and why he should have him and why America should have him.

But, perhaps, more important even than John Tower, even than according a President his right to his nominee, is that the American people should not be deceived by a distortion, a hijacking, and a corruption of the confirmation process by widespread leakage of unsubstantiated allegations. No wonder the Time magazine poll shows that the public disapproves of John Tower 2 to 1.

How could they think anything else? They know nothing else. It is not fair. It is wrong. It is dangerous. And I impose no lesser standard of conduct on the nominee, but I evidently impose a much higher standard of proof than those who are willing to condemn him on the basis of vicious and unsubstantiated rumor.

I will say, to my colleagues, with great respect and affection for each one of them, that I think that we are doing something very dangerous, if, on the basis of the evidence that has been presented to us, we deny John Tower the opportunity to serve his country, as he is fully qualified to do.

Chairman NUNN. Thank you, Senator Wilson.

Senator Bingaman.

Senator BINGAMAN. Thank you, Mr. Chairman.

I will also join in commending you and Senator Warner for the excellent, even-handed, and fair way that you have conducted this entire inquiry. Tonight I will vote to disapprove the confirmation of John Tower to be Secretary of Defense. It is a difficult decision and one that I regret having to make.

However, the deluge of allegations and questions and information that have arisen since the nomination was announced on December 16 have caused me great concern. My careful examination of the reports and records compiled for the committee persuades me that the country will be better served with a different individual in this key position.

Responsibilities and demands on the Secretary of Defense are greater than those imposed on other members of the Cabinet in two respects.

First, he is in the chain of command. Orders to send this country's troop into combat are sometimes initiated by and always arrived at with the direct involvement of the Secretary of Defense.

Second, the men and women in our military are held to demanding standards of personal conduct. And that tradition is one of the great strengths of our Armed Forces. The Secretary of Defense needs to exemplify those same standards.

The allegations and information which concern me the most are those which suggest a longstanding habit of excessive drinking. These allegations and that information do not come from one or even a few sources. It comes from a great many unconnected sources. The allegations and information are not limited to a particular time period, but span the last several decades.

I regret that, in spite of the numerous questions that have arisen, the President has chosen to go forward and to require a vote of this nomination. In my view, those questions have not been adequately put to rest. The cumulative weight of the information provided to the committee leads me to conclude that we should request another nominee to be forwarded to the Senate.

Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator Bingaman.

Senator McCain.

Senator MCCAIN. Thank you, Mr. Chairman.

I would like to thank you and Senator Warner for the hard work and effort that has been put into this entire process.

It is a very sad time for me. I have been a good friend of John Tower's for many, many years. I have known him well. I have traveled with him. I have seen him serve this country in many capacities.

Frankly, to see this event taking place, as it is obviously unfolding, is one which I find incredibly regrettable.

I must wonder, where was the criticism of John Tower when he left this body after 24 years of dedicated service to it, after 4 year's as chairman of the Senate Armed Services Committee, or when he was our nuclear arms negotiator in Geneva. Where was the criticism when he headed the Commission that investigated the Iran-Contra affair and produced a thorough, even handed and, indeed, even critical report about the conduct of the party and the man he served.

I wonder, where was the criticism in those days? There was no criticism, John Tower performed those duties with distinction. I must, in all candor, tell the Members of this body that before we go to the floor with this issue, we will research all the speeches, all the accolades, and all the praises that were heaped upon Senator Tower over the years that he served.

Some people have said that all those accolades are meaningless, that it is merely custom. Well, I am not insincere when I offer praise to my colleagues. I do not expect my colleagues to be insincere when they offer praise to me. I will presume that all the praise that was heaped on Senator John Tower, during all of these years, was sincere. I am very curious, as I think the American people should be, why has there been this incredible change of opinion over these last 2 months.

I think it is well to repeat exactly what the role of the U.S. Senate in the confirmation process is, as was very well stated earlier in this process by my friend and colleague from New Mexico, Senator Bingaman. He said what the Senate should judge here, if I may slightly paraphrase, is whether John Tower, or any nominee, has done anything that would impair his ability to serve the President of the United States as Secretary of Defense.

Frankly, I am hoping that there will be an agreement that the FBI file be made public in its entirety. I am hoping so, although I will obviously bow to the will of the majority. I am hoping so because I think that the American people deserve the opportunity to make a clear judgment. Up to this point, the American people have been forced to formulate their opinion of John Tower based on selective leaks. I think, if there is one thing my colleagues and I would all agree on this committee tonight, is that there has not been a fair process of informing the American people of the entire contents of that report.

I find it curious that questions have arisen about John Tower's ability to divorce himself from those defense corporations of whom he was employed. At least John Tower did work for those companies. The rest of us here take political action committee money from those same companies on the assumption that it will be ascertained that we are being fair and unbiased. I believe that the acceptance of political action committee money is on the same level, at best, with that of accepting pay for services when one is a civilian, and not an employee of the U.S. Government.

There have been many things that have been left out of these hearings and out of the information that has been provided to the American public. I will not spend much more time concerning the talents of John Tower. But I cannot—I cannot let it pass—a statement that John Tower is unfit to serve in the Armed Forces of the United States. He did serve with courage, with distinction, and with patriotism.

I do not like ever to harken back on my own experience in the military. But as one who has screened hundreds of FBI investigations concerning people who are up for promotion or various other reasons in the military, I can promise you that the FBI report that has been compiled by this committee in no way would disqualify John Tower for service in the military of this country, or to his country, in any capacity.

John Tower is held in the highest esteem and in the greatest respect by our adversaries throughout the world. I know of no one who could conduct the business of defending this Nation's national security interests better in this time of ever-changing, and indeed daily, evolving relationships with the Soviet Union and our allies.

It is a very sad day when I see friends turn against such a man and admit that there is no smoking gun. There is "weight of evidence." There is "enough smoke cumulative." We will clearly be setting new standards here if John Tower's nomination is refused.

I do not believe that he is a saint. I believe he is a good man. I believe he is a good man who has been an effective, loyal American. John Tower has served his country with distinction, and is not deserving of what he is experiencing tonight.

Chairman NUNN. Thank you, Senator McCain.

Senator Dixon.

Senator DIXON. Mr. Chairman, tonight I cast my vote against the confirmation of John Tower to be Secretary of Defense.

For the past 10 weeks the Armed Services Committee has scrutinized the personal and professional qualifications of Senator Tower to serve in a post that critically impacts not only our defense and national security, but our budgetary soundness.

The FBI reports that we reviewed in recent weeks in no way drew Senators, in my opinion, to an inescapable iron-clad conclusion. The FBI reports often raised more questions, frankly, in my opinion than they definitively answered. The FBI reports provided information, subjective information, based upon which each Senator here must make a value judgment.

Now, the White House has maintained that the FBI reports prove Mr. Tower's fitness for the job. Mr. Chairman, on the other hand, you found the reports quite damaging. My good friend Senator Warner, the ranking Republican on the committee, has said that these are matters on which reasonable men of good intent can credibly differ, and I quite agree.

Despite a lengthy investigation, I think questions remain about whether the candidate once in office could effectively lead his Department while disassociating himself from the defense industry he has represented in the private sector. To avoid a conflict of interest, I believe, or the appearance of impropriety, Senator Tower, as Secretary of Defense, in way too many cases would have to recuse himself or remove himself completely from the decisionmaking process.

Many of the allegations in the FBI files are rumor and innuendo and hearsay. But other allegations do offer serious cause for considerable alarm. Of particular concern to this Senator is that for 10 weeks the fire storm of allegations against Senator Tower has not subsided. I agree with some who say there may not be a smoking gun, but there is an abundance of smoke.

The continuing allegations and charges have protracted these hearings long beyond the expectations of any of us on the committee and even now they show no evidence of dissipating. I am concerned that the continuing nature of these allegations have frankly damaged Senator Tower's ability to serve and would haunt his tenure as Secretary of Defense.

When I learned some months ago of President Bush's plan to nominate Senator Tower for Secretary of Defense, I favorably mentioned Senator Tower's expertise and background in the defense and national security field. I have served, as many of us have in the Senate, with Senator John Tower, and I value his service here. Because of Senator Tower's contributions to this country, Mr. Chairman, my decision to oppose his confirmation was a particularly difficult decision for me to reach.

In conclusion, I would like to commend you, Mr. Chairman, and, Senator Warner, our ranking member, and the Armed Services Committee staff for effectively addressing the difficult issues presented to this committee in this confirmation process. And on the rollcall, Mr. Chairman, I will reluctantly vote no.

Chairman NUNN. Thank you, Senator Dixon.

Senator Wallop.

Senator WALLOP. Thank you, Mr. Chairman.

We will now get down to, on this side at least, those of us who are new on this committee. I must say at the outset that despite the protestations to the contrary, a straight partisan decision does not seem to be so difficult to arrive at.

The majority members on the committee apparently believe they are confirming a defense god instead of a mere defense secretary as though the committee will have no further function. There will be no budget, there will be no oversight, there will be no whistle blowers.

I think I have to say to you, my friends, come on. What do you think happens here? Do we just stop as soon as the confirmation takes place?

And the great disappointment to me is that this committee has spent practically no time at all on the issues of America's security and the dangers and threats that are presented to us by a sweet-talking General Secretary of the Soviet Union who has at his disposal strategic armaments that far outweigh those of America.

No, instead what this committee has focused on is what I have come to call factoids, things repeated often enough that they take on the appearance of fact. Like the humanoids in science fiction, they are indistinguishable, apparently, to my friends on the other side. Repetition has become a standard of proof and transoms a standard receptacle for this standard of proof.

Here there may not be a smoking gun, but there is plenty of smoke. That is a strange standard, my friends. And reputations are at risk here, but not ours. Or perhaps so we think. We have established a standard of trial by transom and trial by leak, and I do not know whether to weep or to rage.

A good friend of mine is being sullied by a series of charges most of which are presented by people who are unwilling to present their names. And by what right did this committee entertain a Mr. Paul Weyrich or a Mr. Jackson without determining in advance their lack of credibility?

I cautioned at the time that we would never find in public a refutation of the charges that they made in public and could not substantiate in executive session. And now, tonight's wire refers to a Member of the Senate—one would have to suppose a member of this committee—asking to remain anonymous, recounting one of the stories in the FBI file—all of that story but for the fact that the witness failed in a lie detector test.

So, we ruin John Tower with comfort saying our purpose is the Nation, disregarding our own experience and the comments of people who have worked with him and have witnessed him, disregarding the statements of notable Americans who have risked their reputations now to come out in support of a man whose reputation has been ruined by factoids.

And what of those who did testify as to his qualifications? Why have they been so carefully ignored in this process? Why have some of the most respected members of American politics been overlooked in the favor of a few who have little or no credibility and not the courage to present their own names.

I have a letter from 19 distinguished members of the American political community, all of whom have impeccable reputations and all of whom have known and worked with John Tower through much of his 26 years of public service. All of them, my friends, just happened to be women, among them Ambassador Anne Armstrong, Secretary of Labor Elizabeth Dole, U.S. Trade Representative Carla Hills, Ambassador Jeane Kirkpatrick and many others.

Why is the credibility of these professional women, many of whom have made it to the top of their professions held below that of so-called innumerable and unnamed sources who refuse to be identified?

And what about the credibility of the distinguished Senator from Texas, Mr. Bentsen, the Democrats' own nominee for Vice President? He introduced Senator Tower in the most confident and complimentary terms. Are we to give equal weight—nay, greater weight—to those who want to remain anonymous to these distinguished Americans? Apparently so.

If the Department of Defense has problems, and indeed it does, perhaps these problems arise from the fact that many of the former Secretaries arrived at their post without experience, without competence. Indeed, we are establishing tonight a standard of competence that says that if you have no experience, you will be both moral and able to judge, but if you have experience, stay out of the way.

My guess is that the charges are based on fear of his competence rather than fear of his incompetence. And it is not the revolving doors that harm America's defense, it is incompetence.

We have asked what of the President whose reputation, office, and performance, and whose view of defense depend on John Tower's performance? That man was elected, my friends. Each of us by a State, he by all the States. He says I want John Tower to be my Secretary of Defense, and so, too, does the Senator from Wyoming.

Chairman NUNN. Thank you, Senator Wallop.

Senator Glenn.

Senator GLENN. Thank you, Mr. Chairman.

The seriousness with which the Senate views its constitutional advise and consent responsibilities has never been more in evidence than in the Senate Armed Services Committee's confirmation proceedings with regard to the current nomination for Secretary of Defense. And, as has also been in evidence, this is sometimes not a very pleasant process.

It is not easy, not pleasant, and while I respect President Bush's opinion and his confidence in the nominee, we still have our job; and our job is to give a second opinion as the Constitution provides and to render in our best judgment what we think is best for the military and, more importantly, best for the United States.

The nominee is to be Secretary of Defense, the senior military man in the United States, second only to the President. We are looking for leadership, leadership by example.

When we began consideration of this nomination, I started with a very definite predisposition to vote for the nominee. I knew of no reason, no sufficiently disqualifying reason, to not give the President his choice. But at each stage of this process, however, more and more information came to the committee. Some of it was rejected; a lot of it was rejected. Most of it never went to the FBI or back to the White House for consideration. But some of the information did go back to the FBI to be further checked and then was given back to us with their investigative report.

As the FBI reports occurred, my predisposition was constantly and very seriously eroded as each new report came out. I think we are on our seventh report as the FBI has given us one report after another.

There have been many allegations. Many of the allegations were unproven, many were unfounded. The FBI reports still remain confidential. I have not liked to listen to the releases of those reports because I have considered them confidential and not made any statement on them at all in public. But a fair percent of the allegations have been leaked, intentionally or otherwise.

Now, the characterization given this evening to some of the FBI reports are accurate and some are not, in my best judgment. And I, too, would join the others who have said they hope they release these reports. That would be fine with me. Let the American public and the press and everyone else make their own judgments on what they think these reports show.

But, I would say this: The White House characterization that the allegations, and I quote, "simply have been gunned down in terms of fact," I just cannot agree with. When I heard that I wondered if we had been reading the same FBI reports, as a matter of fact.

The initial allegations were insufficient to deny the President his appointee. I agree with that. The first couple of them I sort of dismissed. But here we are, seven reports later, and instead of each one of these clarifying the issue, each one of them to me has seemed to spin more webs. Instead of gunning down, it seems to me that the reports have added substantially to the allegations addressed, not all of them old allegations, not all back in the sixties and seventies. But matters well into the eighties on the most recent report, and that has been most troubling of all.

And I think in our conversations with committee members, that very fact alone has been of more concern to people than anything else—the currency of some of these charges.

The White House now says yes about the seventies. They say that the nominee did have a drinking problem. The question is: Is there still a problem? I would agree with my colleagues who say that many of these allegations have been taken care of, been refuted, but there are enough left that have not been refuted to cause serious doubt. And those have not been addressed this evening. I do not think we can address them because they are still in the FBI report that has not been released, even though I hope it will sometime.

But I must say that I cannot read the FBI reports and come to the same conclusion with some of my colleagues on the other side of the aisle. I must conclude when I read these reports that there is a real risk that a problem still exists.

Let us just look at this for a moment in a larger context. We say we are dealing with opinion. Yes, we are. We are dealing with opinion, that is true. We are dealing in a larger context even with the perceptions that were mentioned earlier, perceptions in the minds of the public as to the expectation they have of the performance of their public officials in Washington and perceptions secondly in the minds of our military personnel about the leadership that we select for them. Leadership they look to to lead by example.

However those perceptions are formed, whether it is by the nominee's own reported actions, whether it is by impressions we leave in our comments on the committee, whether it is the press reporting their interpretations of what the committee has said or done or whether it is the original investigative reporting done by the press. I would emphasize that in this particular case, reporting by the press has been a very major part of what the perceptions are out there in the minds of the public and the military. But whether we like it or not, the perceptions are there and they are real, and I think they have to be considered.

Other committee members have given their statements on conflict of interest, business relationships and so on. I will not address those here tonight. I basically endorse most of the earlier remarks that express some concern along that line. I would like to take my remarks in a slightly different direction.

In the military we have major programs against alcohol, not that Congress has put in, that the military has put in, and enforced themselves against alcohol abuse. Not dependency, that is a more serious charge. But the lesser charge, if you want to take it to that, or lesser allegation of just alcohol abuse.

And it is the policy of the Department of Defense to not assign anyone to key or sensitive positions in any of the nuclear chain of command where there is any problem with alcohol abuse. That is a disqualifying item to any of those key or sensitive positions. You discuss this with senior officials, and you learn that any hint of alcohol abuse is enough to disqualify people in that area. This is a Department of Defense order in that area.

They give qualifying functions for people that want to work in this nuclear field. And then they give a list of disqualifying functions, and it says disqualifying, any of the following traits or conduct shall normally be considered disqualifying—any traits—disqualifying—and under that, A, the number one disqualifying item is alcohol abuse.

Now, we can all come up with a different definition. They have their definition here. It is rather lengthy. I will not go into it. We all have our personal definition, I suppose. But that is the way the military looks at this and how important they think it is.

This program is outlined in a Department of Defense directive and it is called Nuclear Weapons Personnel Reliability Program. It is a special screening program for anyone working in the nuclear weapons field, whether in the delivery business, command and control, maintenance of weapons, storage, supply, guards, communications, and so on. And to be selected, a person cannot have an alcohol abuse problem.

Now, the question we have to address ourselves to, I believe, is will we demand less of the Secretary of Defense than of our people in uniform.

I have already alluded to the FBI agent's comment that there was a press report on last Sunday. We did not address this in our committee considerations, but an FBI agent made a statement that was reported in last Sunday's press that with reports he had seen, the nominee would not qualify to be an FBI agent. Well, that is one person's opinion. But these perceptions are something that are very real and we must deal with.

Let me get into another area for just a moment. Much has been made in the press of nominee Tower's relationship with women. Any proof? Publicly less than the allegations on alcohol. But once again, it is perception, and perceptions of a leader determine much of the effectiveness of that person's ability to lead. They may not be fair. I agree with that. They may not be fact. But the perceptions are there, and we are still looking for leadership, and that means leadership by example.

When there are problems with regard to women in the military, it is referred to as fraternization which basically addresses the question of how we should treat women in the military. The answer is with respect and with dignity.

And the military is very strict with their policies in this regard. When lines of impropriety are crossed, they are dealt with very harshly. In the last several years we have had over 20 male officers court-martialed, drummed out of the service of their country, because of infractions in this area, and I have no doubt there were several times that number who resigned rather than be court-martialed. I do not have any figures on that one for either improper sexual advances or harassment. But the issue receives very special emphasis in our military, that women will not be subjected to degrading treatment.

I do not know all the facts surrounding some of the allegations that have been made regarding the nominee in this regard, but where does this leave us? Well, for me, at least, at each step in this long nominating process and the information received at each step, rather than clearing up the doubts, it has cast more doubt on the ability of the nominee to truly set an example; to provide leadership by example that our military officers and enlisted expect and deserve and that national security demands, and demands without any doubts and without any reservations.

We do not permit people in command assignments if there is any doubt—they are not assigned to certain positions if there is any doubt. And I would point out to my colleagues these doubts affect these people and where they are assigned, it can affect their whole careers and there is not one day spent in court regarding their fitness for assignment. There is no court procedure for it. There are no rules of evidence, there is no procedure for it. There is no examination or cross-examination.

Now, I think that is too bad that we do not have some procedure for something like that or the nomination process. Cross-examination and a procedure, that would be more fair in the committee and in all the committees of Congress, but we do not.

So these matters are not determined in court by the military or this committee. They are determined by judgment by either one or more people in where these assignments are made.

Reference was made a moment ago to the political nature of this process and how the probable vote will come out. I think that is probably right. I do not have much doubt tonight that this is going to fall along party lines.

But I would say that for many of us, I can certainly speak for myself, this decision was not easily arrived at. It was not quickly arrived at, and I do not view my vote on this as a Democratic vote or an anti-Republican vote. I think I have honestly weighed what I think is the evidence in this and come to a decision that is very difficult in some ways, but in some ways it is not.

I do not enjoy voting against John Tower, which I will do in a few moments here, but to me there are bigger concerns. There are greater loyalities: I have to do my best to provide the military with unquestioned leadership. Leadership that will without doubt, without any concern, be leadership by example. And for all the above reasons and others stated earlier by others, I must in good conscience cast my vote against the nominee.

Chairman NUNN. Thank you, Senator Glenn. Senator Gorton.

Senator GORTON. Thank you, Mr. Chairman. The distinguished and thoughtful chairman of this committee summarized fairly, I believe, the record taken from dozens, perhaps hundreds of witnesses by the FBI, some of whom are identified by name and some of whom were anonymous.

With respect to three of the subjects he discussed, it is certainly appropriate to conclude, in fact the nominee himself admitted to what I would certainly consider to have been excessive drinking during the decade of the 1970s. It is also clear that he did not swear off of alcoholic beverages during the course of the 1980s, though any evidence that alcohol was abused during that decade seems to me to be at the very least, illusive.

I believe that the chairman appropriately summarized the record, with respect to what the press has generally characterized as womanizing, as simply having been unproven, and I agree with the chairman's conclusion in that connection.

I also agree with his characterization on the subject of conflict of interest, that Senator Tower has violated no laws or Government regulations in connection with this representation of organizations and corporations which do business with the Department of Defense, but that some people under some circumstances could come up with an appearance of a problem, a perception of a problem, because Senator Tower clearly received money for work, for advice, and for representation of some such companies.

I believe profoundly, however, that the conclusions which the chairman reached from these acknowledged facts to be erroneous. As I look around this table, if my count is correct, 14 members of this committee served with John Tower in the Senate of the United States, and I think at least 10 of them, myself not included, served with him as members of this committee.

Not one of them has reported any impact on the performance of Senator Tower's duties as a Member of the U.S. Senate or as chairman of this committee which they observed, and they of course were in the best position to observe his work and his personal habits and any effect which his personal habits might have had on the discharge of his duties.

Quite to the contrary, those members of this committee with whom I have discussed this matter at length, and whose judgments I respect greatly, are all totally unequivocal in praising the quality of his work and the tireless dedication to his duty which was exhibited by Senator Tower while they served with him as members of this committee.

While I do not know, as well or at all, those who worked for him in Geneva while he was a part of the arms negotiations, what I read is of the same nature: that this performance of duty there was exemplary as well.

As a consequence, through this entire debate I have heard no question raised as to the distinguished nature of John Tower's service in the U.S. Senate as a Member, or as a member and then as chairman of this committee. I have not heard any question as to the quality and the nature of his work representing the United States in Geneva. I have not heard seriously questioned his objectivity and devotion to duty as the Chairman of the Tower Commission and what must have been a highly uncomfortable duty to him at the time.

With respect to the question which is constantly raised on conflict of interest, with the word "perception" so frequently used, we start with the apparent agreement, as the chairman concluded, that there was no violation, or I think even accusation of a violation, on the part of John Tower of any law or regulation or rule.

I deeply feel that the use of this term "perception" in this case has as its inevitable consequence the position that a person who has earned his living with a business that contracts with the Department of Defense, no matter for how short a time or under what circumstances, is automatically disqualified from serving in an American administration in a position of trust and authority in the Department of Defense.

In turn, I am led inevitably to the conclusion from this use of the word "perception" that the only persons who will be qualified to be Secretary of Defense will either have been life-long employees of the Government, perhaps some academics—at least those who have not taken firm positions on defense issues—or businessmen whose entire careers have been completely divorced from any experience with the defense of the United States, or perhaps newspaper editorial writers.

I believe, to the contrary, that John Tower's experience during that relatively short period of time with contractors with the Department of Defense and his experience with those same contractors on this committee, are almost certain to make him a stronger, better, and more effective Secretary of Defense than otherwise, because he will have some knowledge to deal with the kind of problems which they raise.

I think it is necessary to report that, unlike some of my colleagues to my right here, I do not consider myself to be a friend of

John Tower's. His treatment of me while I was a junior Senator was more often than not abrupt and discourteous. I am comforted only by the fact that he was nondiscriminatory in that type of treatment. All of his colleagues seemed to have suffered the same fate.

That, however, is not to the point with which we are dealing here this evening. We know first that the President of the United States, after careful consideration, has expressed his desire to have John Tower as his close advisor and as the manager of an absolutely vital department in his administration.

We know, and I have not heard this contradicted by any of the former speakers, that the particular background and experience of John Tower uniquely suits him for this position. We know, as I have already said, that none of his colleagues assert any personal knowledge of any improprieties and never observed any impairment affecting the conduct of his duties here or elsewhere in important positions.

It has been my observation, although this is not an observation which I would have made at the time of his original selection, that his very abruptness and toughness, sometimes his nastiness, coupled with his detailed knowledge and the strength of his character and of his convictions, cause him to be uniquely qualified to meet the complex and quite different challenges facing the Department of Defense during a time of declining budgets and novel challenges to our national security and our international position.

And finally, it seems to me that we have as a part of our duties as members of this committee and of the Senate, the duty to do justice. I regard it as a dereliction of those duties simply to say we do not know. We cannot appropriately judge the nature or weight of the fact of some of the criticisms which have been reported to us of John Tower's character and of his life.

This is far too important a duty for us to rely on perceptions. It is up to us to lead those perceptions. It is up to us to do justice with respect to a distinguished American. It is to me, therefore, particularly sad that we should now, here, this evening, see John Tower's life and career in ruins as the result of the action of his erstwhile friends and colleagues, just at the time at which he can so effectively discharge the duties of the office to which his and our President wishes to appoint him.

Chairman NUNN. Thank you very much, Senator Gorton.

Senator Gore.

Senator GORE. Thank you very much, Mr. Chairman, and although others have made similar statements previously, I too wish to commend you and Senator Warner and staff on both sides for the extremely professional way in which this entire matter has been conducted.

It has been difficult for every member of this committee, Republican or Democrat. The process is one that makes everyone uncomfortable. The task of judging the qualifications of a nominee is one that is, under the best of circumstances, extremely difficult.

But I wish to add to the statement I had planned to make by responding to the suggestion that partisan motivation is present in the decisionmaking process of those on the committee who plan to vote against John Tower.

James Baker was nominated to be Secretary of State. He was approved in committee, unanimously. The vote on the floor was 99 to nothing. Elizabeth Dole was approved unanimously in committee. The vote on the floor was 99 to nothing. Richard Darman was approved to head OMB in committee, unanimously. The vote on the floor was 99 to nothing.

Carla Hills, chosen to be the Special Trade Representative, was approved in committee, unanimously. The vote on the floor was 100 to nothing. Robert Mosbacher was nominated as Secretary of Commerce. He was approved in committee, unanimously. The vote on the floor was 100 to nothing.

Samuel Skinner, chosen to be Secretary of Transportation, was approved in committee, unanimously. The vote on the floor was 100 to nothing. Manuel Lujan, chosen to be Secretary of the Interior, was approved in committee, unanimously. The vote on the floor was 100 to nothing. Michael Boskin was nominated to be Chairman of the Council of Economic Advisers and was approved in committee, unanimously. The vote on the floor was 100 to nothing.

Jack Kemp, chosen to be Secretary of HUD, was approved in committee, unanimously. The vote on the floor was 100 to nothing. William Riley, nominated to head EPA, was approved in committee, unanimously. The vote on the floor was 100 to nothing. Clayton Yeutter, nominated to be Secretary of Agriculture, was approved in committee, unanimously, and the vote was 100 to nothing.

I do not see a record of partisanship in the treatment of the nominees that President Bush has sent to the U.S. Senate. I see a different pattern. Why is it that John Tower would be treated any differently? Well, why is it that the administration itself treated his nomination, among all those that I have mentioned here, differently?

This committee has taken virtually the same amount of time to reach this evening's vote as the administration took to make up its mind on whether or not to send John Tower's name to the U.S. Senate. President Bush decided in favor of John Tower. We do not yet know how the U.S. Senate will decide on this question, but a charge of partisanship is, in my view, off the mark.

This committee has proceeded in an excruciatingly fair way, in my opinion, under very difficult circumstances. When the proceedings began, I entered the process fully and completely expecting to support John Tower. Liking him personally, I did not have a chance to serve with him in the U.S. Senate. I did have a chance to work with him when he was our negotiator in Geneva, and I have said publicly on many occasions that I like him personally and judge him to be competent professionally.

I believed at the beginning of this process he had all the requisite experience and skill to be highly effective as Secretary of Defense. I still believe that Senator Tower has, in ample degree, the grasp of those issues and processes that we need to find in a Secretary of Defense.

However, I have concluded—and it is a reluctant conclusion—that I can no longer support him for that position. A confirmation is not a court of law. The process is not carried out as a trial is carried out. Members of the Senate are not functioning as judges and as a jury when they give advice and consent to important nominations. They are exercising political judgment, often under very uncertain conditions.

Now, even though the business arrangements which have been so amply explored in these proceedings may well have been totally legitimate during the period of time immediately following his departure as our chief negotiator and immediately preceding his nomination as Secretary of Defense—and I have no doubt that they were totally legitimate—I was nevertheless genuinely surprised and then concerned at their scope, their nature, and at the rapid sequence of Government service followed by employment by the defense industry, followed again, immediately afterward, by Government service in the highest possible capacity relating to Defense. Overseeing and supervising contracts with the very same companies which had so recently employed him.

All perfectly legal, but coming at a time when the confidence of the American people in our Government's management of the Defense Department and the defense complex is at an alltime low.

Similarly, even though we may feel that personal issues, such as the reported difficulties with alcohol, ought to be kept entirely out of consideration unless brought into play by conclusive and overwhelming evidence, these issues have nevertheless made their marks. Are we entitled to ignore them?

We live in age when all human civilization, for the first time in history, can be wiped out on 30 minutes' notice. The Secretary of Defense is high in the chain of command over those forces 24 hours a day.

Are we entitled, because of friendship, because of a predilection to support a President's judgment and a President's nominations, because of uncertainty and uncomfortableness over the nature of the evidence, are we for all those reasons entitled to completely ignore the matters which have been brought to the attention of this committee, albeit in an unsatisfactory form? I believe not.

One thing became apparent to me. The country requires that the next Secretary of Defense restore public confidence in the management of the Department of Defense, and Senator Tower if confirmed might eventually do that. But he would begin with an enormous burden of proof having to do with not only the defense issues but with himself. It is genuinely unfortunate, but in my opinion another candidate is needed, and I will oppose the nomination.

Chairman NUNN. Thank you, Senator Gore. Senator Lott.

Senator LOTT. Thank you, Mr. Chairman.

Mr. Chairman and members of the committee, as a new member of the committee, although I have been in the Congress for 16 years, I have found this confirmation process to be a curious one. And, while this is not intended as criticism at all—perhaps it is just an observation of a new member of the committee—I think it has to be noted.

I have heard it asked in the media and we have asked it among ourselves, do we give special treatment to a former Member of the Senate or to this committee? I think the answer is no, that we do not. As a matter of fact, I think maybe we require even a higher standard of a former member of this committee and a former Member of this body, based on the process that I have seen here.

It seems to me that a lot of us are placing an awful lot of importance to the perception of the material that has been provided to us, a perception of what may or may not have happened. And that causes me a great deal of concern.

Frankly I was very pleased with those overwhelming votes that we had on earlier nominees. And was excited that maybe what I had hoped would happen was happening—that I had left partisan, straight party-line votes behind me in the other body. So, I am particularly concerned about the way that it appears that this vote is going to go tonight.

You know, the bulk of the work has been left to the chairman and the ranking member. And they have struggled magnificently under the weight of that responsibility. But we did have limited hearings. There have been numerous FBI reports of all types, which we now are basing our decisions on and making speeches on, but yet, we cannot refer to them.

And then the vote tonight, is the first time that we have actually had what I would consider a really substantive discussion about what our concerns were and why we were going to vote the way that we were. I mean, we had a few questions along the way and I knew what some of the concerns might be, but I would really have liked to have had a lot more substantive discussion in executive session on the FBI reports and even in committee, just speaking as one member.

Now, this nominee, I think we would all agree, has been severely abused and damaged by leaks, rumors, allegations, accusations, and downright hearsay in the fourth degree. Most of these or many of them have been somewhat hysterical in nature. But I have to confess when I saw or heard a couple of them, I said, that is serious. I think that should be investigated. We should not go forward until that is investigated. And the ones that affected me the most when I heard them turned out to be absolutely unfounded with any facts or any credible evidence, and just were not true. And then I said, how long will this go on? We should vote.

The accumulation of accusations, I think have affected the attitude of the American people in this case, and the outcome of tonight's vote on John Tower to be Secretary of Defense. I have great fear that the vote is being based on the weight of the accusations—some of them not even qualified to be allegations—the weight of the accusations instead of the weight of the evidence.

What is the evidence here? And I have been asking myself, as a new Senator, what is our role in this advice and consent responsibility?

Is he qualified? I do not have to repeat what has already been said. Many of you know a lot more about that than I do. Obviously he is qualified by education, by experience, in the Senate, in this committee, as an arms control negotiator, as an Ambassador, and in the private sector—which, I think by the way, is an important part of this whole process—and whether or not you are qualified. Absolutely, he is qualified.

Does he have personal or moral problems that are debilitating? And debilitating is an important word and I have had to answer that for myself. And based on what I have read, in those FBI reports and what other limited amount of documentation I have seen, no, there is not a debilitating problem.

Has he been known to have a drink? Sometimes too much perhaps, in the 1970s? We have acknowledged that. But in recent years, there is a lot of evidence, clear evidence, that it has been in moderation and that it has not been a problem and I do not think that we have had proof that there has been anything to the contrary.

I wonder how many of us in this room would admit to the same proclivity, to have a social drink, in this city, at social functions.

Has he had marital problems? We all know that, but is it a problem for him in being Secretary of Defense? I think the chairman said absolutely not, and I am convinced it is not.

This is not a canonization. We are only charged with the responsibility of determining if this man is capable or incapable of performing the job of Secretary of Defense, not deciding if we approve or disapprove of his social conduct, although I think that is relevant.

Does he have a conflict of interest? No, he does not. He has removed himself in relationship with the companies that he did represent. He has made it very clear to this committee in open testimony, that he would recuse himself if necessary.

I really believe that the process we have gone through here has made him stronger by the process. He will take extra precaution to make sure that there is no conflict and extra effort to make sure that reform would be carried out where it is needed.

But I have to tell you the thing that worries me the most tonight, and I do not apologize for it at all, is what we are doing to the defense of our country and to the new President of the United States.

I think John Tower is qualified and should be confirmed, and I will so vote. But I worry about the fact that if he is not confirmed, we will have weeks, perhaps a couple of more months, before we will have a Secretary of Defense in place.

We need him now. The Pentagon needs that leadership. The President of the United States, after reviewing the same evidence we reviewed, has continued to say this is the man I want. He knows him well. They are from the same State. They have been in a lot of circumstances together.

I personally have been with Senator Tower, as a Member of the House, in cities all over this country and working situations and social situations. And I observed him in Geneva, as an arms control observer and I never, never one time, saw him act out of order at all.

But with the new President in Japan, tonight, at a sensitive time in arms control negotiations and of changing relationships with the Soviet Union and our NATO partners, what kind of message are we sending if, on the evidence we have seen, which is very limited, in fact, we would now reject his Secretary of Defense nominee?

I view that very, very seriously. I think it will impact on the Pentagon and this President of the United States. I would hope, no matter how this committee acts, the Senate would confirm John Tower as Secretary of Defense.

Thank you.

Chairman NUNN. Thank you, Senator Lott.

I believe we are to Senator Wirth.

Senator WIRTH. Thank you, very much, Mr. Chairman.

I would like to join my colleagues in commending you and Senator Warner and especially the staff, who, in an extremely difficult situation, have done a very admirable and nonpartisan job in reviewing this nomination.

I would like to make one comment on the substance of our deliberations tonight, and another comment on process. And I would like to, if I might, Mr. Chairman, put my full statement into the record.

Chairman NUNN. Without objection, your full statement will be a part of the record.

Senator WIRTH. On substance, all of the arguments, it seems to me, have been made save one—attitude toward women.

I have spoken about this before and I will be brief in summary tonight. Over the last 10 weeks, the country has been buffeted with a string of stories about Senator Tower's private life. In my review of the record, I did not find powerful specific evidence of the alleged liaisons, encounters, and relationships, but I did find sufficient cumulative evidence to trouble me about the nominee's attitude toward women, as well as about his judgment and discretion.

Why is this?

Leadership in our society is a matter of perception as well as reality. While I believe that an individual has the right to conduct his personal life as he sees fit, the Office of the Secretary of Defense demands a higher standard of discretion and judgment.

Our Armed Forces have been asked to fully integrate women into the force structure, treating them equally in all ways, except combat eligibility. I have visited many bases and ships and, at each one, have been struck by the pride with which women, now constituting about one-tenth of our forces, are being integrated into the services; by the pride with which they serve; and by the commitment of our commanding officers to reach the goal of completely equal treatment. But the job is far from complete.

Serious problems still exist with the status and treatment of women in the military. Just last year, a Navy commander was dismissed for unacceptable behavior. The Department of Defense has set a policy that women be treated as equals, not objects.

The Secretary of Defense sets an example for millions of women and men in uniform, and must be beyond reproach.

Now, let me turn to a comment about the process we have followed in some of tonight's rhetoric. Statements have been made this evening that the FBI reports do not contain specific incidents of John Tower's abuse of alcohol in the 1970s and, more important, in the 1980s.

These statements have suggested that "We are hiding behind T-1, 13, he/she," that there are no specifics, and that we are operating on hearsay and unsubstantiated allegations.

These statements are simply not true. The record is replete with specifics, in the 1970s and in the 1980s, specific instances told to the FBI by specific, identified individuals. Yes, some people did ask not to be identified and therefore show up in the FBI file as T-1, 13, and he/she.

This is the way the checking system works, and these allegations have been checked out by the FBI. Some of them proved to be unsubstantiated, some the opposite.

But it is simply untrue to state that there are no specifics in the FBI record. There are specific instances cited for the last decade and for this one.

Now, the question can be asked, well, what are those specifics? And this is an unfair and inappropriate question, since we all know that the FBI record is supposed to be confidential. It is totally inappropriate to compromise the confidentiality in any way, by citing allegations that have been proven wrong, or by allegations that are quite clear in the record.

If those of us who oppose this nomination started selectively leaking some of this classified information, in the light that we interpret it, the other side would cry foul—and appropriately so. The fact is that there are more than two or three alleged incidents of excessive drinking by the nominee in the 1980s in the record available to the committee. I will not say how many because that would violate the rules of confidentiality under which we are trying, in good faith, to work.

I only hope that the people watching our actions tonight will have confidence in those of us who have tried and will continue to try to maintain the confidentiality of the records, as it was made available to us.

Finally, Mr. Chairman, I would like to try to answer the question, where is the smoking gun?

There is no smoking gun in all of this. Our task would be a lot easier if there were. But the ground, it seems to me, is littered with a substantial number of empty cartridges. Sorting through these is the challenge we face. Honest men and women can disagree and we have.

Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator Wirth.

[The prepared statement of Senator Wirth follows:]

PREPARED STATEMENT BY SENATOR TIMOTHY E. WIRTH ON THE TOWER NOMINATION

After an exhaustive review of available records, statements, testimony, and reports concerning Senator John Tower's qualifications to serve as Secretary of Defense, I have concluded that I cannot support his nomination.

My concerns about Senator Tower's qualifications fall into three general categories: (1) relationship to defense contractors; (2) personal behavior; and (3) alcohol abuse.

DEFENSE CONTRACTORS

The committee reviewed questions concerning Senator Tower's work as a paid consultant for several major defense contractors. Questions have been raised about the basis for his large fees, potential conflict-of-interest charges, and his ability to implement needed changes in the Pentagon. I cannot conclude that this is an overwhelming problem, although I admit that some may see a legitimate problem of perception here, especially in light of recent scandals involving defense industry.

PERSONAL BEHAVIOR

Over the last 10 weeks, the country has been buffeted with a string of stories about Senator Tower's private life. In my review of the record, I did not find powerful, specific evidence of the alleged liaisons, encounters and relationships. But I did find sufficient cumulative evidence to trouble me about the nominee's attitude toward women, as well as about his judgment and discretion. While I believe that an individual has the right to conduct his personal life as he see fit, the Office of the Secretary of Defense demands a higher standard of discretion and judgment.

Our forces have been asked to fully integrate women into the force structure, treating them equally in all ways, with the exception of combat eligibility. I have visited many bases and ships, and at each one have been struck by the pride with which women—now constituting roughly one-tenth of our forces—are being integrated into the services, by the pride with which they serve, and by the commitment of our commanding officers to reach the goal of completely equal treatment. But the job is far from complete; serious problems still exist with the status and treatment of women in the military. Just last year, a Navy Commander was dismissed for unacceptable behavior. The Department of Defense has set a policy that women be treated as equals, not objects. The Secretary of Defense sets an example for millions of women and men in uniform and must be beyond reproach.

ALCOHOL ABUSE

Based on the information available to the committee, there has been a pattern of alcohol abuse in Senator Tower's life. The concerns raised on this score are, in my view, extremely serious. Were the nominee being considered for a sensitive military command in the Armed Services, the information contained in the FBI report would be sufficient to deny him that job. Surely, we should demand no less from our Secretary of Defense, who is below only the President in the military chain of command and who holds a position involving great personal pressures.

Further, the armed services have implemented a far-reaching program to combat alcoholism. Confirming a nominee with a pattern of alcohol abuse as Secretary of Defense would undercut these efforts and send a contradictory message to the people serving in our Armed Forces about the seriousness of alcohol abuse.

Now let me turn to the process the committee has followed, and some of this evening's rhetoric about that process. Statements have been made here that the FBI reports do not contain specific incidents of John Tower's abuse of alcohol in the 1970s, and more importantly, in the 1980s. These statements have suggested that we are "hiding behind T1, 13, He/She", that there are no specifics, and that we are operating on hearsay and unsubstantiated allegations.

These statements are simply not true. The record is replete with specifics, in the 1970s and in the 1980s, specific instances, told to the FBI by specific and identified individuals. Yes, some people asked not to be identified and, therefore, show up in the FBI reports as "T1, 13, He/She". This is the way the checking system works. These allegations have been investigated by the FBI. Some of them proved to be unsubstantiated, some the opposite. But it is simply untrue to state that there are no specifics in the FBI record—there are specific instances cited for the last decade and for this one.

Now the question can be asked—"well what are the specifics?" This is an unfair and inappropriate question, since we all know that the FBI report was developed on the basis of confidentiality and is intended to remain so. It is totally inappropriate to compromise this confidentiality in any way, by citing allegations that have proven wrong, or allegations that are clearly dealt with in the record. If those of us who oppose this nomination started selectively leaking some of this classified information in the light in which we interpret it, the other side would cry foul—and appropriately so.

The fact is that the reports made available to the committee contained more than two or three alleged incidents of excessive drinking by the nominee in the 1980s. I won't say how many, because that would violate the rules of confidentiality under which we have been trying in good faith to operate. I only hope that the people watching our actions this evening will have confidence in those of us who have tried—and will continue to try—to maintain the confidentiality of the record as it was made available to us.

Finally, Mr. Chairman, I would like to try to answer the question of "where is the smoking gun?" There is no smoking gun in all of this—our task would be easier if there were. But the ground is littered with a substantial number of empty cartridges. Sorting through these is the challenge we face. Honest men can disagree, and we have.

This decision has not been an easy one for me or any member of the Senate Committee on Armed Services or the nominee. Former Senator Tower is obviously a man of significant talent and achievement to whom the country owes a great debt of gratitude for his many years of service. The committee has acted prudently and carefully in carrying out its constitutional responsibility to review and confirm Presidential nominations for high office. This has not been a partisan issue: the Senate has already confirmed many of President Bush's nominees unanimously, demonstrating overwhelming bi-partisan support for the new President's Cabinet nominees.

Let us now move on, receive a new nomination, ratify the choice, and get on with the grave responsibilities of redefining our military's—and our country's—relationships to a rapidly changing world.

Chairman NUNN. Senator Coats.

Senator COATS. Thank you, Mr. Chairman.

This is the first major issue I have had to deal with as a Member of the Senate. It has not been a pleasant one, nor one that I expected. I somehow feel like a member of a jury examining a former Member of this body to determine whether he is fit to serve as the President's choice of Secretary of Defense.

I have had no previous experience with Mr. Tower, no personal association with him, very little direct observation of his conduct. And so I approached the task as someone who would make an honest effort to examine the evidence as it was presented to the committee.

Very serious charges were made. I could not help but to read those charges in the press or hear about them in the media. I had hoped to confine my examination of the allegations to what was presented to this committee for its consideration. In that regard, I took very seriously the reports of the FBI that came in seven installments and read and reread those reports and examination.

I listened carefully to the examination of witnesses. Unfortunately, what I found was that the perception, among the public and, I think, even the perception before this committee, did not square with the reality of the facts that were presented to us.

At least in my opinion, this reality was far different than this perception. The perception among the American people is that John Tower is a drunk, someone who cannot control his alcohol. He is a womanizer. He has received illegal or at least unethical compensation for his duties after he left the Senate.

I am pleased this evening that you, Mr. Chairman, and others have, in my opinion, set the record straight on many of these allegations.

I believe that the evidence presented to this committee, at least the evidence presented to me, in no way justifies a vote to overrule the judgment of the President of the United States as to who he wants to be his Secretary of Defense, who should serve in his cabinet.

In my opinion, the prosecution in this case—the prosecution I guess was perception—failed to make the case by a very wide margin. And I, therfore, will not vote to reject the President's choice.

I would like to say just one other thing, perhaps two. Because there is such a wide disagreement as to the nature of the FBI examination and the evidence presented to this committee; because reasonable men, here on this committee, differ so greatly as to that interpretation, I want to join those who have called for full disclosure of the evidence that has been presented to this committee. I hardly think that it could do more damage to John Tower than what has been done through the public perception.

I think it will help resurrect his credibility. In any event, that is a decision for the committee to make.

My last concern is that, perhaps by our action tonight, we are establishing a new standard for service in Government, or at least service in the President's Cabinet, that the weight of allegation, or public perception carries more weight than hard facts; and that if enough allegations are made, no matter how spurious they are, but if enough are made and they are made often enough, that that will carry the day. I hope that is not the case. I hope we are not setting a precedent by our actions this evening.

Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator Coats.

Senator Shelby.

Senator SHELBY. Thank you, Mr. Chairman.

Mr. Chairman, I want to commend you and Senator Warner for your understanding and your patience, not only tonight, but during so many of the committee meetings that we have had.

Mr. Chairman, I will be short. Perhaps I will be the last one to speak tonight.

As a member of this committee, I have been actively involved in Senator Tower's nomination. I have taken part in all the hearings, both in open and the closed forums. I have read all the pertinent information provided by the Federal Bureau of Investigation to the committee, concerning Mr. Tower, including the latest report.

My vote on the nomination of John Tower to be Secretary of Defense is not the result of ideological differences. As a lot of you know, I believe that we agree on a majority of policy questions. Thus, this is a most difficult decision for me. However, I do seriously believe that a cloud has formed over the Tower nomination.

The combination of both personal problems and conflicts of interest has seriously compromised John Tower's ability to function effectively as a Secretary of Defense.

This position, I believe, requires standards of both a personal and a professional nature that are almost unique in Government. I do not believe that Senator Tower meets the requisite standard. For those reasons, I believe the nomination of Senator John Tower to be Secretary of Defense has been crippled beyond repair.

I, therefore, will reluctantly cast my vote against his nomination.

Chairman NUNN. Thank you, Senator Shelby.

Senator Byrd is on his way and we will wait a moment.

[Pause.]

Senator Byrd had a special event tonight. He had his own coming out with a book that he has worked on for many, many years. And so, I know he is on his way and will be here in just a minute.

Senator WALLOP. Mr. Chairman, it is snowing outside and some of us have families. It is very clear from the behavior of the committee as it is, that no vote is likely to be changed. I wonder if it would be possible to at least get a first motion out of the way and perhaps hear Senator Byrd when he arrives or——

Chairman NUNN. Let me give it about 2 more minutes, and then we will move in that direction.

Senator THURMOND. Mr. Chairman.

Chairman NUNN. Senator Thurmond.

Senator **Thurmond**. Regardless of how the nomination comes out, I just want to remind the committee (we have already voted yesterday) that we will send it to the full Senate for final action.

Chairman **Nunn**. The Senator is correct. I think it is unanimous on this committee, and we all voted yesterday that we would send this nomination to the floor. The Constitution of the United States does not say that the Senate Armed Services Committee advises and consents. The Constitution says the Senate advises and consents to the nomination.

The Senate of the United States is the only body under our constitutional system that can make this final judgment. So, whether the nomination is reported favorably or whether the nomination is reported unfavorably, it will be reported to the Senate, and the Senate of the United States will have an opportunity to work its will on the nomination.

Senator **Warner**. Mr. Chairman, I think the record should reflect that that motion yesterday was made by our senior member, the distinguished Senator from South Carolina, who has a corporate memory second to none.

[Pause.]

Chairman **Nunn**. Let me go ahead and make an announcement that I intended to make after the vote, but this will save a little bit of time. I am just announcing the procedure the committee agreed to yesterday in terms of preparing the written report that will accompany the reporting and the filing of the nomination in the Senate.

Senator Warner and I have been instructed by the committee to work together with our staffs, to develop a report and an executive annex consistent with the outcome of the vote.

We will put the proposed report before the members early next week and the committee will meet again to look at the report to see if it fairly reflects the views of the majority. There will be opportunity for minority views to be filed. We will not lose any time in this respect, since members will have until next Tuesday evening to file any additional supplemental or minority views, depending on the outcome of the vote.

I have talked to Senator Mitchell about this. I know he has talked to Senator Dole. Senator Warner and I have met with the two leaders and I know that both of them, particularly Senator Mitchell, is ready to start the floor debate next week.

I do not see anything in our process that will preclude that.

Senator Byrd, you are recognized. Welcome.

Senator **Byrd**. Thank you, Mr. Chairman. I thank the members of the committee, and I ask your forgiveness for my tardiness. I have already made my statement on the floor knowing that there would be a number of statements to be made and knowing that I would be at the bottom of the totem pole.

And I want you gentlemen to know that you missed a very nice reception in the Capitol.

Senator **Gore**. Some of us were there, Mr. President.

Senator **Byrd**. Some of you did go.

Senator **Thurmond**. Is it too late? [Laughter.]

Senator **Byrd**. You were there, Strom.

Those of you who were not, your books are autographed and you can pick then up tomorrow. So, I ask unanimous consent that I may insert my statement in the record.

Chairman NUNN. Without objection.

[The prepared statement of Senator Byrd follows:]

PREPARED STATEMENT BY SENATOR ROBERT C. BYRD ON THE NOMINATION OF JOHN TOWER TO BE SECRETARY OF DEFENSE

Mr. BYRD. Mr. President, the Senate is in the process of performing a duty central to the constitutional responsibilities and powers of this body. Under section 2, clause 2, article II of the Constitution, the President shall appoint public ministers with the advice and consent of the Senate. The Senate has a shared constitutional responsibility with the President to judge the fitness of a person to serve as a Cabinet Secretary and shares the responsibility, as an institution, for the consequent acts and behavior of nominees to whom it gives its consent.

The position of Secretary of Defense is particularly unique, sensitive, and important. The standard of fitness to exercise the responsibilities of that office must be extremely high. The Secretary is in the chain of command, and his decisions, often made on the basis of unforeseen developments, partial information, excruciating time pressures, in the middle of the night, or at any hour of the day, affect the lives of our fighting men and women, the credibility of this Nation, and could affect the fate of other nations as well. These are sometimes grave decisions and a person in the position of Secretary of Defense must possess unfailingly sound judgment, and precise, careful, cogent reasoning powers at all times.

The individual charged with decisions of this gravity must be one of proven, strong self-discipline, mature judgment, unclouded reputation, and demonstrated constancy. He must set an example for our fighting men and women.

At issue as well is a nominee's managerial capability in running the gigantic bureaucracy of the Defense Department, and his ability to resist any temptation, based on past associations, present influences or potential future opportunities. His judgments must not be colored by any consideration other than the most efficient use of our scarce national resources to develop our military systems. Today, in particular, the American people have been treated to inexcusable and seemingly unending abuses of the Defense procurement system. It will take hardnosed determined and sustained action to clean the system out. Credibility must be restored to the Defense Department for the good of our Nation.

In these two vital benchmarks of fitness—unfailingly sound judgment under circumstances of duress and difficulty, and freedom from conflicting interests and financial pressures—Senator Tower in my judgment falls short of these thresholds. The substantial body of information made available to the Armed Services Committee leads me to question his ability to perform this unusually demanding position under all circumstances, and at any and all times. His acceptance of large sums of money for what appears to be little identifiable productive work, leads me to question his capacity to hold the seductive pressures of vested interests at arms length. Even in the absence of impropriety, the extensive dealings he has recently engaged in with many influential defense contractors gives the appearance—the appearance—that could damage his ability to carry out his responsibilities from the outset.

I reach these conclusions in spite of Senator Tower's experience in this body, and as an official in the arms control field with the previous administration.

John Tower is capable, he is knowledgeable, and he has an extensive background in defense matters.

So there is no question about his capability from that standpoint. There are relatively few people in the country who have the kind of background and experience, long experience, and knowledge that John Tower possesses in this field. But he is not the only person who can fill this position. There are others who can be nominated, who have equally good qualifications in this respect but who will not have the problems that have caused the concerns and the questions raised about this nominee.

This is not an easy vote for me to cast. Senator Tower is a former colleague and he is the President's first choice. And there are those who feel that doubts over a Cabinet nominee should be resolved in favor of the President's preferred choice.

There are those who believe that in the case of Supreme Court nominees, nominees who are to serve for life, perhaps the test should be greater and more should be expected, but that in the case of Cabinet nominees, these individuals working very closely with a President, as they will, we should bend over backward to give the benefit of the doubt to the President.

I do not find any fault with that logic. But in this case, the doubts are too serious, and the post is too vital. Our primary responsibility must be to resolve any doubts, not in favor of the President, but there is a higher level that is required of us—namely, to resolve any doubts in the best interests of the American people and the Nation.

We must not overlook the nominee's problems and subject him to less rigid standards just because he once served in this body.

Passing judgment on someone's fitness for office is always a tough assignment. There is no smoking gun in the FBI reports. But there is enough smoke to cause one to be most uneasy with this nominee for this position.

In the end, each of us must make a personal judgment based on the totality of the information and impressions we have gained in the confirmation process. I cannot support a nomination which sends a message to the American people and to our friends and allies that repeated serious errors of judgment, of self-discipline, of propriety, and of the appearance of lucrative intimacy with many defense industries can be overlooked, on the hope that such failings will not be repeated and will bear on his capacity to discharge his responsibilities.

I have tried to be fair in my efforts to reach the right judgment, and I know that this is an extremely difficult decision for my colleagues to reach, as it has been for me. I have read all of the FBI reports, as have most, if not all, of my colleagues. One has to weigh the evidence and then reach the judgment in his own mind as to the weight of the evidence.

I have done this, and I reach this conclusion after studying the record produced by the FBI and by the careful inquiries that have been conducted by the Armed Services Committee. I want to commend Senator Nunn and Senator Warner for having conducted what is, in my estimation, a very fair, thorough, careful, painstaking, conscientious inquiry.

It has gone on over a period of many days. I think now the time has come when there will be a decision. So far as I am concerned, I judge former Senator Tower solely as a nominee for this very special post only, and not as a man, not in any other context.

It is painful to reach this conclusion, but I am a little like Vice President Calhoun, when he had to cast the tie-breaking vote on a very important matter that came before the Senate. Apparently, the tie may have been prearranged, but he could not vote "maybe," so he had to make a decision, and he voted.

Therefore, I shall vote no when the time comes in the Senate, if the Senate is to be the final arbiter, and I shall hopefully have the opportunity to cast my vote in committee, not to vote no there, because I want to give the man his day in the full court.

I did this in connection with Mr. Kleindienst some years ago. It was my position that I would vote to report his nomination to the Senate, that the Senate be the final judge. I would vote no there. So in the committee, it would be my choice to vote to report this nomination, but I think the committee ought to showdown and ought not hesitate to send a message to the country as to where it stands. My judgment would be to send the nomination to the Senate with an adverse recommendation. To do otherwise, I think, would be a copout.

Chairman NUNN. I think we are ready for a motion, and I recognize Senator Warner for the purpose of making the motion.

Senator WARNER. Mr. Chairman, on behalf of all of us on this side of the aisle, we are privileged to move to report the nomination of John Goodwin Tower to be Secretary of Defense to the Senate with the recommendation that the Senate act favorably thereon and give its advice and consent to this nomination submitted by the President of the United States.

Chairman NUNN. There is a motion. Is there a second?

Senator COHEN. Mr. Chairman, I second the motion.

Chairman NUNN. Senator Cohen seconded the motion. The Clerk will call the roll.

Mr. PUNARO. Mr. Exon.

Senator EXON. No.

Mr. PUNARO. Mr. Levin.

Senator LEVIN. No.

Mr. PUNARO. Mr. Kennedy.

Senator KENNEDY. No.

Mr. PUNARO. Mr. Bingaman.

Senator BINGAMAN. No.

Mr. PUNARO. Mr. Dixon.

Senator DIXON. No.

Mr. PUNARO. Mr. Glenn.

Senator GLENN. No.

Mr. PUNARO. Mr. Gore.

Senator GORE. No.

Mr. PUNARO. Mr. Wirth.

Senator WIRTH. No.

Mr. PUNARO. Mr. Shelby.

Senator SHELBY. No.

Mr. PUNARO. Mr. Byrd.

Senator BYRD. No.

Mr. PUNARO. Mr. Warner.

Senator WARNER. Yea.

Mr. PUNARO. Mr. Thurmond.

Senator THURMOND. Aye.

Mr. PUNARO. Mr. Cohen.

Senator COHEN. Aye.

Mr. PUNARO. Mr. Wilson.

Senator WILSON. Aye.

Mr. PUNARO. Mr. McCain.

Senator MCCAIN. Aye.

Mr. PUNARO. Mr. Wallop.

Senator WALLOP. Aye.

Mr. PUNARO. Mr. Gorton.

Senator GORTON. Aye.

Mr. PUNARO. Mr. Lott.

Senator LOTT. Aye.

Mr. PUNARO. Mr. Coats.

Senator COATS. Aye.

Mr. PUNARO. Mr. Chairman.

Chairman NUNN. No.

Mr. PUNARO. On this vote there are 9 yeas and 11 nays. The motion to report the nomination favorably is not agreed to.

Chairman NUNN. I now move that the nomination of John Tower be reported unfavorably with the recommendation that the nomination not be confirmed by the Senate.

Senator EXON. I second the motion.

Chairman NUNN. There is a motion and a second. The Clerk will call the roll.

Mr. PUNARO. Mr. Exon.

Senator EXON. Aye.

Mr. PUNARO. Mr. Levin.

Senator LEVIN. Aye.

Mr. PUNARO. Mr. Kennedy.

Senator KENNEDY. Aye.

Mr. PUNARO. Mr. Bingaman.

Senator BINGAMAN. Aye.

Mr. PUNARO. Mr. Dixon.

Senator DIXON. Aye.

Mr. PUNARO. Mr. Glenn.

Senator GLENN. Aye.

Mr. PUNARO. Mr. Gore.

Senator GORE. Aye.

Mr. PUNARO. Mr. Wirth.

Senator WIRTH. Aye.

Mr. PUNARO. Mr. Shelby.

Senator SHELBY. Aye.

Mr. PUNARO. Mr. Byrd.

Senator BYRD. Aye.

Mr. PUNARO. Mr. Warner.

Senator WARNER. No.

Mr. PUNARO. Mr. Thurmond.

Senator THURMOND. No.

Mr. PUNARO. Mr. Cohen.

Senator COHEN. No.

Mr. PUNARO. Mr. Wilson.

Senator WILSON. No.

Mr. PUNARO. Mr. McCain.

Senator MCCAIN. No.

Mr. PUNARO. Mr. Wallop.

Senator WALLOP. No.

Mr. PUNARO. Mr. Gorton.

Senator GORTON. No.

Mr. PUNARO. Mr. Lott.

Senator LOTT. No.

Mr. PUNARO. Mr. Coats.

Senator COATS. No.

Mr. PUNARO. Mr. Chairman.

Chairman NUNN. Aye.

The Clerk will announce the vote.

Mr. PUNARO. There are 11 yeas and 9 nays, and the motion that the nomination be reported unfavorably with the recommendation that the nomination not be confirmed by the Senate is approved.

Chairman NUNN. The committee is adjourned. Thank you.

[Whereupon, at 9:03 p.m., the committee adjourned, subject to the call of the Chair.]

[The nomination of John Goodwin Tower was reported unfavorably to the Senate by Senator Sam Nunn on February 28, 1989, with the recommendation that the nomination not be confirmed (Executive Report 101-01). Senate debate on the nomination occurred on March 2, 3, 6, 7, 8, and 9, 1989. The nomination was rejected by the Senate on March 9, 1989, by a rollcall vote of 53-47.]

[The nomination reference of John Goodwin Tower follows:]

NOMINATION REFERENCE

AS IN EXECUTIVE SESSION,
SENATE OF THE UNITED STATES,
January 20, 1989.

Ordered, That the following nomination be referred to the Committee on Armed Services:

John Goodwin Tower, of Texas, to be Secretary of Defense.

[The biographical sketch of John Goodwin Tower, which was transmitted to the committee at the time the nomination was referred, follows:]

BIOGRAPHICAL SKETCH OF JOHN GOODWIN TOWER

A native Texan, Mr. Tower was born in Houston on September 29, 1925, the son and grandson of Methodist ministers. While growing up, he lived in a number of east Texas communities, graduating from Beaumont High School. Mr. Tower enlisted in the Navy at the age of 17 during World War II and saw combat on a gunboat in the Western Pacific. Mr. Tower, a Master Chief Petty Officer in the United States Naval Reserve, will soon be a member of the Retired Reserve.

Mr. Tower received a Bachelor's degree in history and political science from Southwestern University, a Master's degree in political science from Southern Methodist University, and later studied at the London School of Economics and Political Science.

A former professor of government at Midwestern University in Wichita Falls, Mr. Tower won a special election for the Senate seat of Lyndon B. Johnson in 1961. He was reelected in 1966, 1972, and 1978, and retired from the Senate on January 3, 1985, having served there for 24 years.

While in the Senate, Mr. Tower was Chairman of both the Senate Armed Services Committee and the Senate Republican Policy Committee. He also served on the Banking, Housing and Urban Affairs Committee and the Budget Committee. From February 1985 until April 1986, Mr. Tower served as U.S. Negotiator on Strategic Nuclear Arms, with the rank of Ambassador, at the Negotiations on Nuclear and Space Arms with the Soviet Union in Geneva.

In November 1986, President Reagan called upon Mr. Tower, to chair the Special Review Board (often referred to as the Tower Board) which was established in the wake of the Iran-Contra Affair. The Board reported to the President in February 1987 on the proper role and function of the National Security Council Staff and the National Security Council System.

Mr. Tower has been awarded the Department of Defense Distinguished Public Service Award, the Department of the Army Decoration for Distinguished Civilian Service, the Department of the Navy Distinguished Public Service Award, the Department of the Air Force Exceptional Service Award, the Order of Merit of the Republic of Tunisia, and the Knight Commander's Cross of the Order of Merit of the Federal Republic of Germany. He is a 33rd-degree Mason and Shriner, a member of the American Legion, the Texas State Historical Association, the Texas Philosophical Society, and the United Methodist Church. Mr. Tower served as the past Worthy Grand Master of the Kappa Sigma Fraternity. He is also an Honorary Fellow at the London School of Economics and Political Science.

Mr. Tower's three daughters, Mrs. David Cook (Penny), Marian Tower, and Mrs. Berry Cox (Jeanne), live in Dallas.

John Tower was nominated by President Bush to be Secretary of Defense on January 20, 1989.

January 23, 1989.

[The Committee on Armed Services requires all individuals nominated from civilian life by the President to positions requiring the advice and consent of the Senate, and certain senior military officers as determined by the committee, to complete a form that details the biographical, financial and other information of the nominee. The form executed by John Goodwin Tower in connection with his nomination follows:]

UNITED STATES SENATE

COMMITTEE ON ARMED SERVICES

Room SR-228

Washington, DC 20510-6050

(202) 224-3871

COMMITTEE ON ARMED SERVICES FORM

BIOGRAPHICAL AND FINANCIAL INFORMATION REQUIRED OF NOMINEES

INSTRUCTIONS TO THE NOMINEE: Complete all requested information. If more space is needed, use an additional sheet and cite the part of the form and the question number (i.e. A-9, B-4) to which the continuation of your answer applies.

PART A—BIOGRAPHICAL INFORMATION

INSTRUCTIONS TO THE NOMINEE: Biographical information furnished in this part of the form will be made available in committee offices for public inspection prior to the hearing and will also be published in any hearing record as well as made available to the public.

1. **Name:** (Include any former names used.)
JOHN GOODWIN TOWER.

2. **Position to which nominated:**
Secretary of Defense.

3. **Date of nomination:**
January 20, 1989.

4. **Address:** (List current place of residence and office addresses.)
[Nominee responded and the information is contained in the committee's executive files.]

5. **Date and place of birth:**
September 29, 1925, Houston, Texas.

6. **Marital Status:** (Include maiden name of wife or husband's name.)
Divorced.

7. **Names and ages of children:**
Penny Tower Cook, 34; Marian Goodwin Tower, 33; Jeanne Tower Cox, 32.

8. **Education:** List secondary and higher education institutions, dates attended, degree received and date degree granted.
Beaumont High School, 1939-1942, diploma received 6/42.
Southwestern University 1942-43, 1946-48, B.A. 1948.
Southern Methodist University 1949-51, M.A., 1951.
London School of Economics 1952-53, no degree.

9. **Employment record:** List all jobs held since college or in the last 10 years, whichever is less, including the title or description of job, name of employer, location of work, and dates of employment.
April 1986 to present: Self-employed consultant/lecturer with offices in Dallas, TX and Washington, D.C. (see current addresses).
March 1985 to April 1986: U.S Negotiator/START. U.S. Department of State, Geneva, Switzerland.
January 1985 to March 1985: Self-employed consultant. Office located at 666 11th Street, N.W., Suite 1000, Washington, D.C.
June 1961 to January 1985: United States Senator from Texas.

10. **Government experience:** List any advisory, consultative, honorary or other part-time service or positions with Federal, State, or local governments, other than those listed above.
President's Foreign Intelligence Advisory Board—April 1987-January 1989.
President's Special Review Board—December 1986-March 1987.
United States Navy Reserve Service—October 1946 to September 16, 1948 reenlisted—January 2, 1959 to present.
United States Navy—active duty—17 June 1943 to 25 March 1946.

11. **Business relationships:** List all positions currently held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation,

company, firm, partnership, or other business enterprise, educational or other institution.

Serve as trustee for the following:

Kappa Sigma Memorial Foundation; Southwestern University.

Serve as Distinguished Lecturer in Political Science at Southern Methodist University—on unpaid leave.

Resignations have been tendered and will be effective January 20, 1989 for the following:

Armed Forces Journal—Chairman of the Board.

Pergamon Brassey's International Defense Publishers, Inc.—Chairman of the Board.

Maxwell Communications Corp (London, England)—Consultant.

12. **Memberships:** List all memberships and offices currently held in professional, fraternal, scholarly, civic, business, charitable and other organizations.

Kappa Sigma Fraternity.
American Legion.
Masonic Lodge.
Shriners/Royal Order of Jesters.
Dallas Committee on Foreign Relations.
The Metropolitan Club (Washington, D.C.).
Texas Society, Sons of the American Revolution.
Texas Philosophical Society.
Texas State Historical Association.
Hansard Society for Parliamentary Government.
The Alfalfa Club.
American Friends, London School of Economics.

13. **Political affiliations and activities:**

(a) List all offices with a political party which you have held or any public office for which you have been a candidate.

1954—Candidate for Texas Legislature (lost).
1960—Candidate for U.S. Senate (lost).
1961, 1966, 1972, & 1978—elected to U.S. Senate.
1984—Chairman, Reagan-Bush campaign in Texas.
1984—Chairman, Texas: Victory 84.

(b) List all memberships and offices held in and services rendered to all political parties or election committees during the last 5 years.

Member, Republican Party.
1984—Chairman, Reagan-Bush Campaign in Texas.
1944—Senior Advisor to Bush-Quayle campaign on Defense and Foreign Policy.
1988—Participated in Surrogate Speaker Program—Bush-Quayle Campaign.

(c) Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of $100 or more for the past 5 years.

Ron Smith for State Senate (Virginia).
George Bush for President (Primary campaign).
Teel Bivins for State Senate Campaign (Texas).
Bobby Albert for State Senate Campaign (Texas).
Cyndi Krier for State Senate Campaign (Texas).
Fred Meyer for Republican State Chairman (Texas).
Lon Williams for Congress (Texas).

14. **Honors and Awards:** List all scholarships, fellowships, honorary society memberships, military medals and any other special recognitions for outstanding service or achievements.

Honorary Fellow, London School of Economics and Political Science.
Certificate of Exemplary Service, from Secretary of Defense Weinberger.
Decoration for Distinguished Civilian Service, from Secretary of the Army.
Distinguished Public Service Award, from Secretary of the Navy.
Exceptional Service Award, from Secretary of the Air Force.
Republic of Tunisia Second Class Decoration of Commander of the Republic.
The Knight Commanders' Cross of the Order of Merit of the Federal Republic of Germany.
World War II Victory Medal.
Navy Unit Commendation.
American Campaign Medal.
Navy Occupation Service Medal.
Asiatic/Pacific Campaign Medal.

Navres Meritorious Service Medal.

15. **Published writings:** List the titles, publishers, and dates of books, articles, reports, or other published materials which you have written.

(Retained in committee files.)

16. **Speeches:** Provide the committee with two copies of any formal speeches you have delivered during the last 5 years which you have copies of and are on topics relevant to the position for which you have been nominated.

Speeches made on the floor of the Senate through January 1985 are printed in the Congressional Record and are already available to the committee.

Copies of additional speeches responsive to this request are provided and are retained in committee files.

17. **Selection:**

(a) Do you know why you were chosen for this nomination by the President?

Following is an excerpt from a December 16, 1988 press conference by President-elect Bush:

John Tower served for 23 years in the United States Senate. He was chairman of the Armed Services Committee. He has been a top U.S. negotiator in talks on strategic nuclear arms. And he is a veteran, having enlisted in the Navy at the age of 17 and served in combat on a gunboat in the Western Pacific during the Second World War. John Tower is as knowledgeable as anyone in America about defense and national security issues, and he's a true expert on defense policy, and he understands the challenges ahead. And he's established great credibility and earned great respect both in Congress and among the American people for his knowledge, for his many contributions to this Nation, and for his understanding of the fundamental truth that strength and clarity in our defense and national security policy lead to peace.

That truth has been underlined by the many significant foreign policy accomplishments of this administration, accomplishments which I submit would not have been possible but for the reestablishment of our national strength which President Reagan inaugurated 8 years ago. And today we do face serious new challenges in the area of defense policy. Some tough choices have to be made, but I believe that, with the proper approach to reform and commitment to efficiency, we can continue our policy of strength while making progress in holding the line on spending. And I've spoken at length with my friend Senator Tower about these challenges, and I am impressed with his commitment to reform. And he knows what must be done, and I have great confidence that he will make sure that each taxpayer's dollar delivers as much as possible to our collective security.

(b) What do you believe in your background or employment experience affirmatively qualifies you for this particular appointment?

I believe that the President-elect's statements on December 16, 1988 answer this question.

18. **Commitment to testify before Senate committees:** Do you agree, if confirmed, to respond to requests to appear and testify before any duly constituted committee of the Senate?

Yes.

COMMITTEE ON ARMED SERVICES FORM

FINANCIAL AND OTHER INFORMATION REQUESTED OF NOMINEES

INSTRUCTIONS TO THE NOMINEE: Information furnished in Parts B through F will be retained in the committee's executive files and will not be made available to the public unless specifically directed by the committee.

Name: John Goodwin Tower.

PART B—FUTURE EMPLOYMENT RELATIONSHIPS

1. Will you sever all business connections with your present employers, business firms, business associations or business organizations if you are confirmed by the Senate?

[Note: Nominee responded and the information is contained in the committee's executive files.]

2. Do you have any plans, commitments or agreements to pursue outside employment, with or without compensation, during your service with the government? If so, explain.

[Note: Nominee responded and the information is contained in the committee's executive files.]

3. Do you have any plans, commitments or agreements after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization?

[Note: Nominee responded and the information is contained in the committee's executive files.]

4. Has anybody made a commitment to employ your services in any capacity after you leave government service?

[Note: Nominee responded and the information is contained in the committee's executive files.]

5. Is your spouse employed and, if so, where?

[Note: Nominee responded and the information is contained in the committee's executive files.]

6. If confirmed, do you expect to serve out your full term or until the next Presidential election, whichever is applicable?

[Note: Nominee responded and the information is contained in the committee's executive files.]

Part C—Potential Conflicts of Interest

1. Describe all financial arrangements, deferred compensation agreements, and other continuing dealings with business associates, clients or customers.

[Note: Nominee responded and the information is contained in the committee's executive files.]

2. Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated.

[Note: Nominee responded and the information is contained in the committee's executive files.]

3. Describe any business relationship, dealing or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated.

[Note: Nominee responded and the information is contained in the committee's executive files.]

4. Describe any activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation or affecting the administration and execution of law or public policy.

[Note: Nominee responded and the information is contained in the committee's executive files.]

5. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items. (Please provide a copy of any trust or other agreements.)

[Note: Nominee responded and the information is contained in the committee's executive files.]

6. Do you agree to provide to the committee any written opinions provided by the General Counsel of the agency to which you are nominated and by the Attorney General's office concerning potential conflicts of interest or any legal impediments to your serving in this position?

[Note: Nominee responded and the information is contained in the committee's executive files.]

Part D—Legal Matters

1. Have you ever been disciplined or cited for a breach of ethics for unprofessional conduct by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, provide details.

[Note: Nominee responded and the information is contained in the committee's executive files.]

2. Have you ever been investigated, arrested, charged or held by any Federal, State, or other law enforcement authority for violation of any Federal, State, county

or municipal law, regulation or ordinance, other than a minor traffic offense? If so, provide details.

[Note: Nominee responded and the information is contained in the committee's executive files.]

3. Have you or any business of which you are or were an officer ever been involved as a party in interest in any administrative agency proceeding or civil litigation? If so, provide details.

[Note: Nominee responded and the information is contained in the committee's executive files.]

4. Have you ever been convicted (including a plea of guilty or nolo contendere) of any criminal violation other than a minor traffic offense?

[Note: Nominee responded and the information is contained in the committee's executive files.]

5. Please advise the committee of any additional information, favorable or unfavorable, which you feel should be considered in connection with your nomination.

[Note: Nominee responded and the information is contained in the committee's executive files.]

PART E—FOREIGN AFFILIATIONS

1. Have you or your spouse ever represented in any capacity (e.g., employee, attorney, business, or political adviser or consultant), with or without compensation, a foreign government or an entity controlled by a foreign government? If so, please fully describe such relationship.

[Note: Nominee responded and the information is contained in the committee's executive files.]

2. If you or your spouse has ever been formally associated with a law, accounting, public relations firm or other service organization, have any of your or your spouse's associates represented, in any capacity, with or without compensation, a foreign government or an entity controlled by a foreign government? If so, please fully describe such relationship.

[Note: Nominee responded and the information is contained in the committee's executive files.]

3. During the past 10 years have you or your spouse received any compensation from, or been involved in any financial or business transactions with, a foreign government or an entity controlled by a foreign government? If so, please furnish details.

[Note: Nominee responded and the information is contained in the committee's executive files.]

4. Have you or your spouse ever registered under the foreign Agents Registration Act? If so, please furnish details.

[Note: Nominee responded and the information is contained in the committee's executive files.]

PART F—FINANCIAL DATA

All information requested under this heading must be provided for yourself, your spouse, and your dependents.

1. Describe the terms of any beneficial trust or blind trust of which you, your spouse, or your dependents may be a beneficiary. In the case of a blind trust, provide the name of the trustee(s) and a copy of the trust agreement.

[Note: Nominee responded and the information is contained in the committee's executive files.]

2. Provide a description of any fiduciary responsibility or power of attorney which you hold for or on behalf of any other person.

[Note: Nominee responded and the information is contained in the committee's executive files.]

3. List sources, amounts and dates of all anticipated receipts from deferred income arrangements, stock options, executory contracts and other future benefits which you expect to derive from current or previous business relationships, professional services and firm memberships, employers, clients and customers.

[Note: Nominee responded and the information is contained in the committee's executive files.]

4. Have you filed a Federal income tax return for each of the past 10 years? If not, please explain.

[Note: Nominee responded and the information is contained in the committee's executive files.]

Have your taxes always been paid on time?

[Note: Nominee responded and the information is contained in the committee's executive files.]

6. Were all your taxes, Federal, State, and local, current (filed and paid) as of the date of your nomination?

[Note: Nominee responded and the information is contained in the committee's executive files.]

7. Has the Internal Revenue Service ever audited your Federal tax return? If so, what resulted from the audit?

[Note: Nominee responded and the information is contained in the committee's executive files.]

8. Have any tax liens, either Federal, State, or local been filed against you or against any real property or personal property which you own either individually, jointly, or in partnership?

[Note: Nominee responded and the information is contained in the committee's executive files.]

(The committee may require that copies of your Federal income tax returns be provided to the committee. These documents will be made available only to Senators and the staff designated by the chairman. They will not be available for public inspection.)

SIGNATURE AND DATE

I hereby state that I have read and signed the foregoing Statement on Biographical and Financial Information and that the information provided therein is, to the best of my knowledge, current, accurate, and complete.

JOHN TOWER.

This 9th day of January, 1989.

APPENDIX

ITEM 1

Senator Tower's responses to Armed Services Committee questionnaire.

PART A – BIOGRAPHICAL INFORMATION

INSTRUCTIONS TO THE NOMINEE: Biographical information furnished in this part of the form will be made available in Committee offices for public inspection prior to the hearing and will also be published in any hearing record as well as made available to the public.

1. NAME: (Include any former names used.)

JOHN GOODWIN TOWER

2. Position to which nominated:

SECRETARY OF DEFENSE

3. Date of nomination:

20 January 1989

4. Address: (List current place of residence and office addresses.)

[Nominee responded and the information is contained in the committee's executive files.]

Date and place of birth:

29 September 1925

Houston, Texas

6. **Marital Status:** (Include maiden name of wife or husband's name.)

Divorced

7. **Names and ages of children:**

Penny Tower Cook, 34
Marian Goodwin Tower, 33
Jeanne Tower Cox, 32

8. **Education:** List secondary and higher education institutions, dates attended, degree received and date degree granted.

Beaumont High School	1939-1942	diploma received 6/42
Southwestern University	1942-43; 1946-48	B.A., 1948
Southern Methodist Univ	1949-51	M.A., 1951
London School of Economics	1952-53	no degree

9. **Employment record:** List all jobs held since college or in the last 10 years, whichever is less, including the title or description of job, name of employer, location of work, and dates of employment.

4/86 - present:	Self-employed consultant/lecturer with offices in Dallas, TX and Washington, D. C. (see current addresses)
3/85 - 4/86	U.S. Negotiator/START. U. S. Department of State, Geneva, SWITZ.
1/85 - 3/85	Self-employed consultant. Office located at 666 11th Street, N.W., Suite 1000, Washington, D. C.
6/61 - 1/85	United States Senator from Texas

Government experience: List any advisory, consultative, honorary or other part-time service or positions with Federal, State, or local governments, other than those listed above.

President's Foreign Intelligence Advisory Board - April 1987-January 1989

President's Special Review Board - December 1986-March 1987

United States Navy Reserve Service - October 1946 to September 16, 1948
reenlisted - January 2, 1959 to present
United States Navy - active duty - 17 June-1943 to 25 March 1946

11. Business relationships: List all positions currently held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, or other business enterprise, educational or other institution.

Serve as trustee for the Following:

Kappa Sigma Memorial Foundation
Southwestern University

Serve as Distinguished Lecturer in Political Science at Southern Methodist University - on unpaid leave

Resignations have been tendered and will be effective January 20, 1989 for the following:
Armed Forces Journal - Chairman of the Board
Pergamon Brassey's International Defense Publishers, Inc. - Chairman of the Board
Maxwell Communications Corp(London, England) - Consultant

12. Memberships: List all memberships and offices currently held in professional, fraternal, scholarly, civic, business, charitable and other organizations.

Kappa Sigma Fraternity
American Legion
Masonic Lodge
Shriners/Royal Order of Jesters
Dallas Committee on Foreign Relations
The Metropolitan Club (Washington D.C.)
Texas Society, Sons of the American Revolution
Texas Philosophical Society
Texas State Historical Association
Hansard Society for Parliamentary Government
The Alfalfa Club
American Friends, London School of Economics

13. **Political affiliations and activities:**

a) List all offices with a political party which you have held or any public office for which you have been a candidate.

1954 - Candidate for Texas Legislature (lost)
1960 - Candidate for U.S. Senate (lost)
1961, 1966, 1972, & 1978 - elected to U.S. Senate
1984 - Chairman, Reagan-Bush campaign in Texas
1984 - Chairman, Texas: Victory 84

(b) List all memberships and offices held in and services rendered to all political parties or election committees during the last 5 years.

Member, Republican Party
1984 - Chairman, Reagan-Bush Campaign in Texas
1988 - Senior Advisor to Bush-Quayle campaign on Defense and Foreign Policy
1988 - Participated in Surrogate Speaker Program - Bush-Quayle Campaign

(c) Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of $100 or more for the past 5 years.

Ron Smith for State Senate (Virginia)
George Bush for President (Primary campaign)
Teel Bivins for State Senate Campaign (Texas)
Bobby Albert for State Senate Campaign (Texas)
Cyndi Krier for State Senate Campaign (Texas)
Fred Meyer for Republican State Chairman (Texas)
Lon Williams for Congress (Texas)

14. **Honors and Awards:** List all scholarships, fellowships, honorary society memberships, military medals and any other special recognitions for outstanding service or achievements.

Honorary Fellow, London School of Economics and Political Science
Certificate of Exemplary Service, from Secretary of Defense Weinberger
Decoration for Distinguished Civilian Service, from Secretary of the Army
Distinguished Public Service Award, from Secretary of the Navy
Exceptional Service Award, from Secretary of the Air Force
Republic of Tunisia Second Class Decoration of Commander of the Republic
The Knight Commander's Cross of the Order of Merit of the Federal Republic of Germany
World War II Victory Medal
Navy Unit Commendation
American Campaign Medal
Navy Occupation Service Medal
Asiatic/Pacific Campaign Medal
Navres Meritorious Service Medal

15. **Published writings:** List the titles, publishers, and dates of books, articles, reports, or other published materials which you have written.

[Nominee responded and the information is contained in the committee's executive files.]

16. **Speeches:** Provide the Committee with two copies of any formal speeches you have delivered during the last 5 years which you have copies of and are on topics relevant to the position or which you have been nominated.

[Nominee responded and the information is contained in the committee's executive files.]

17. **Selection:**

(a) Do you know why you were chosen for this nomination by the President?

See next page.

(b) What do you believe in your background or employment experience affirmatively qualifies you for this particular appointment?

I believe that the President-elect's statements on December 16, 1985 answer this question.

18. **Commitment to Testify Before Senate Committees:** Do you agree, if confirmed, to respond to requests to appear and testify before any duly constituted committee of the Senate?

Yes.

Following is an excerpt from a December 16, 1968 press conference by President-elect Bush:

> John Tower served for 23 years in the United States Senate. He was chairman of the Armed Services Committee. he has been a top US negotiator in talks on strategic nuclear arms. And he is a veteran, having enlisted in the Navy at the age of 17 and served in combat on a gunboat in the Western Pacific during the Second World War. John Tower is as knowledgeable as anyone in America about defense and national security issues, and he's a true expert on defense policy, and he understands the challenges ahead. And he's established great credibility and earned great respect both in Congress and among the American people for his knowledge, for his many contributions to this nation, and for his understanding of the fundamental truth that strength and clarity in our defense and national security policy lead to peace.
>
> That truth has been underlined by the many significant foreign policy accomplishments of this administration, accomplishments which I submit would not have been possible but for the reestablishment of our national strength which President Reagan inaugurated eight years ago. And today we do face serious new challenges in the area of defense policy. Some tough choices have to be made, but I believe that, with the proper approach to reform and commitment to efficiency, we can continue our policy of strength while making progress in holding the line on spending. And I've spoken at length with my friend Senator Tower about these challenges, and I am impressed with his commitment to reform. And he knows what must be done, and I have great confidence that he will make sure that each taxpayer's dollar delivers as much as possible to our collective security.

(Note: The remainder of Senator Tower's responses to the Committee questionnaire are retained in the Committee's executive files. The information contained in the responses is discussed in the section of the report on Conflict of Interest.)

ITEM 2

Letter from Senator Tower to Senator Nunn concerning conflicts of interest, January 9, 1989.

JOHN G. TOWER

710 TURTLE CREEK CENTRE
3811 TURTLE CREEK BOULEVARD
DALLAS, TEXAS 75219
[illegible]4/526-5697

2101 L STREET N.W.
TENTH FLOOR
WASHINGTON D.C. 20037
202·775-4788

9 January 1989

The Honorable Sam Nunn
Chairman
Committee on Armed Services
United States Senate
Washington, D. C. 20510-6050

Dear Mr. Chairman:

This letter provides information on my financial and other interests for your consideration in connection with my nomination for the position of Secretary of Defense. It supplements Standard Form 278, "Executive Personnel Financial Disclosure Report," which has already been provided to the Committee and which summarizes my financial interests.

To the best of my knowledge, none of my financial holdings will create any conflict of interest in the execution of my new governmental responsibilities.

I have no liabilities other than those indicated on the Standard Form 278 which has been completed. To the best of my knowledge, none of these creates any conflict of interest with my anticipated government service, nor would I permit them to do so.

I have never been arrested or charged with any criminal offenses other than minor traffic violations. The only civil litigation to which I have been a party were no-fault divorce proceedings--in 1976 and 1986-87. To the best of my knowledge, there have never been any lawsuits filed against any agency of the Federal Government or corporate entity with which I have been associated reflecting adversely on the work I have done at such agency or for such corporation. I am aware of no incidents reflecting adversely upon my suitability to serve as Secretary of Defense.

To the best of my knowledge, I am not presently the subject of any governmental inquiry or investigation, other than the FBI background check related to my nomination.

I am a member of a number of organizations, the names of which have been provided previously to the Committee. None of these should pose any conflict of interest with regard to my service as Secretary of Defense.

You may be assured of my full cooperation during the preliminary preparations for the confirmation hearings and the hearings themselves.

Sincerely yours,

John Tower

John G. Tower

ITEM 3

Letters of Conflict of Interest from the Director of the Office of Government Ethics (January 23, 1989) and the Acting General Counsel of the Department of Defense (January 19, 1989), including Senator Tower's Financial Disclosure Report (SF-278).

United States
Office of Government Ethics
P.O. Box 14108
Washington, D.C. 20044

1989 JAN 24 PM 12 41

January 23, 1989

Honorable Sam Nunn
Chairman, Committee on the Armed Services
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by John G. Tower, who has been nominated by President Bush for the position of Secretary of the Department of Defense.

The report has been reviewed and advice has been obtained from the Department of Defense concerning any possible conflict in light of its functions and the nominee's proposed duties. The letter to this Office dated January 19, 1989, from the ethics officials of the Department concerning their review is also enclosed.

Based thereon, it appears that Mr. Tower will be in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

Frank Q. Nebeker

Frank Q. Nebeker
Director

Enclosures

GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE
WASHINGTON, D.C. 20301-1600

'89 JAN 23 AM 11 57

19 JAN 1989

Honorable Sam Nunn
Chairman, Committee on Armed Services
United States Senate
Washington, D.C., 20510

Dear Mr. Chairman

My Office has reviewed the Financial Disclosure Report (SF 278) submitted by Senator John G. Tower in connection with his nomination as Secretary of Defense.

Senator Tower has no financial interest in any entities that do business with the Department of Defense. He has agreed that if he is confirmed neither he nor his family will invest in any DoD contractor during his service in this position.

Special attention should be directed to the following matters. (They are explained more fully in the questionnaire he prepared for your Committee.) The proposed actions comply with the rules and regulations applicable to officials of the Department of Defense:

> Senator Tower has indicated that his former association with Tower, Eggers & Greene, Consultants, Inc. (TEG) entitles him to a 25% share of potential payments for two contracts executed prior to his resignation. Neither involves a DoD contractor nor is either transaction based upon his pending service with this Department. His relationship with TEG was dissolved effective December 1987. (The name of TEG will be changed to delete any reference to John G. Tower, his initials or any variation of his name.) He will have no business with the firm while he serves in this Department.
>
> He intends to retain his positions as trustee for the Kappa Sigma Memorial Foundation, as trustee for Southwestern University, and as Distinguished Lecturer in Political Science (on unpaid leave) at Southern Methodist University. None of these positions will involve him with financial matters dealing with investment decisions.

Not later than March 1, 1989, Senator Tower will sell his stock option for the 5000 shares of Micronyx stock.

It is my conclusion that the Senator is in compliance with the laws and regulations that will apply to him as Secretary of Defense.

Sincerely yours,

L Niederlehner

L. Niederlehner
Deputy General Counsel

Attachment

Financial Disclosure Report

Page 1

Reporting Status (Check Appropriate Box)

☐ Incumbent ☒ New Entrant, Nominee, or Candidate ☐ Termination Filer

Agency Use Only

OGE Use Only

Date of Appointment, Candidacy, Election or Nomination (Mo., Day, Yr.)

Termination (Month, Day, Year)

RECEIVED
'89 JAN 19 PM 5:30
STANDARDS OF CONDUCT OFF.

Reporting Individual's Name
Last Name: TOWER
First Name and Middle Initial: JOHN G.

Position for Which Filing
Title of Position: Secretary of Defense
Department or Agency (If Applicable): Department of Defense

Location of Present Office
Address (Number, Street, City, State and ZIP Code): 3011 Turtle Creek Blvd., Dallas, TX 75219
Telephone No. (Include Area Code): 214/526-5997

Position(s) Held With the Federal Government During the Preceding 12 Months *(If Not Same as Above)*
Title of Position(s) and Date(s) Held: none

Presidential Nominees Subject to Senate Confirmation
Name of Congressional Committee Considering Nomination: Armed Services
Do You Intend to Create a Qualified Diversified Trust? ☐ Yes ☒ No

Certification
I CERTIFY that the statements I have made on this form and all attached schedules are true, complete and correct to the best of my knowledge and belief.
Signature of Reporting Individual: John Tower
Date (Month, Day, Year): January 10, 1989

Other Review (If desired by agency)
Signature of Other Reviewer:
Date (Month, Day, Year):

Agency Ethics Official's Opinion
The information contained in this report discloses no conflict of interest under applicable laws and regulations.
Signature of Designated Agency Ethics Official/Reviewing Official:
Date (Month, Day, Year): 19 Jan 89

Office of Government Ethics Use Only
Signature:
Date (Month, Day, Year):

Reporting Periods

Incumbents: Complete Schedules A, B, C, and Part I of D. The reporting period is the preceding calendar year except for Part II of Schedule C and Part I of Schedule D where you must also include any positions held or agreements or arrangements made from the beginning of the filing year until the date you file.

Termination Filers: Complete Schedules A, B, C, and Part I of D. The reporting period begins at the end of the period covered by your previous filing and ends at the date of termination.

Nominees, New Entrants and Candidates for President and Vice President: Complete Schedules A (except for BLOCK D), C, and D. (Candidates do not file Part II of Schedule D.

- **Schedule A**—The reporting period for income (BLOCK C) is the preceding calendar year and the current calendar year up to the date of filing. Value assets in BLOCK B as of any date you choose that is within 31 days of the date of filing.
- **Schedule C, Part I** (Liabilities)—The reporting period is the preceding calendar year and the current calendar year up to any date you choose that is within 31 days of the date of filing.
- **Schedule C, Part II** (Agreements and Arrangements) - Show any agreements or arrangements as of the date of filing.
- **Schedule D**—The reporting period is the preceding two calendar years and the current calendar year up to the date of filing.

Comments of Reviewing Officials (If additional space is required, use the reverse side of this sheet)

(Check box if comments are continued on the reverse side) ☐

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U.S. Office of Personnel Management

Form Approved
[illegible]

Reporting Individual's Name John G. Tower	**Assets and Income**	Page Number 7	Schedule A

All Filers: In BLOCK A report (a) the identity of each asset held for the production of income at the close of the reporting period which had a fair market value exceeding $1000 and (b) any other asset or source of income which generated over $100 in income during the reporting period. This includes but is not limited to employers, stocks, bonds, tax shelters, bank accounts, real property, mutual funds, pensions, IRA assets, assets of certain trusts, commodities futures, personal businesses and partnership interests. Exclude your personal residence unless you rent it out. See instructions for rules on bank accounts and complex holdings.

All Filers: In BLOCK B report the value of each asset listed in BLOCK A which had a fair market value exceeding $1000 at the close of the reporting period.

All Filers: In BLOCK C report the type and amount of income exceeding $100 received from the assets and other sources of income listed in BLOCK A. You must report the actual amount of any income not of a type specifically noted below. You need not report the actual amount of your spouse's earned income, only the source in BLOCK A. You may not check "qualified trust" unless you have a blind trust which has been specifically approved by the Office of Government Ethics. If you, your spouse or dependent child are the beneficiary of a trust which no one of you created and has no knowledge of the assets, refer to the instructions to see if it qualifies as an "excepted trust." If "none" (or less than $101) is checked under Category of Amount of Income, no other entries need be made in BLOCK C for that item.

Incumbents and Termination Filers only: In BLOCK D, for any real property, stocks, bonds, commodities futures and other securities listed in BLOCK A, did you purchase, sell, or exchange the item during the reporting period for a value that exceeds $1000?

S or DC	BLOCK A Assets & Income Sources Identify each asset and income source of yours, your spouse(S) and your dependent child (DC). NONE ☐	BLOCK B Valuation of Assets Category of Value (X) None (or less than $1001)	$1,001-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	$100,001-$250,000	Over $250,000	BLOCK C Income Type of Income (X) Dividends	Rent	Interest	Capital Gains	Excepted Trust	Qualified Trust	Other (Specify Type)	Category of Amount of Income (X) None (or less than $101)	$101-$1,000	$1,001-$2,500	$2,501-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	Over $100,000	Actual Amount Only if "Other" Specified	Date (Mo., Day, Yr.) Only if Honoraria	BLOCK D Transactions Test If yes, complete Sch. B Part I for those assets including those sold for a loss YES	NO
Examples	X Y Z Common				X				X									X								X	
	Doe Jones & Smith, Hometown, USA			X											Partnership Income									$50 000			
1	Astrotech International Pittsburgh, PA														board fee						X			16,000			
2	British Aerospace, Inc Dulles Airport, VA														consulting fee								X	104,166			
3	Hicks & Associates McLean, VA														"							X		79,167			
4	LTV Aerospace & Defense Dallas, TX														"								X	102,860			
5	Martin-Marietta Info Systems Bethesda, MD														"							X		92,000			
6	Maxwell Communications London, England														"								X	153,334			
7	Rockwell International El Segundo, CA														"						X			30,250			
8	Textron, Inc. Washington, D.C.														"							X		76,000			
9	NCNB/Texas National Bank Wichita Falls, TX (Checking)		X																								
10	NCNB/Texas National Bank Wichita Falls, TX (IRA)			X							X						X										

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Reporting Individual's Name		Page Number	Schedule
John G. Tower	Assets and Income	3	A

All Filers: In BLOCK A report (a) the identity of each asset held for the production of income at the close of the reporting period which had a fair market value exceeding $1000 and (b) any other asset or source of income which generated over $100 in income during the reporting period. This includes but is not limited to employers, stocks, bonds, tax shelters, bank accounts, real property, mutual funds, pensions, IRA assets, assets of certain trusts, commodities futures, personal businesses and partnership interests. Exclude your personal residence unless you rent it out. See instructions for rules on bank accounts and complex holdings.

All Filers: In BLOCK B report the value of each asset listed in BLOCK A which had a fair market value exceeding $1000 at the close of the reporting period.

All Filers: In BLOCK C report the type and amount of income exceeding $100 received from the assets and other sources of income listed in BLOCK A. You must report the actual amount of any income not of a type specifically noted below. You need not report the actual amount of your spouse's earned income, only the source in BLOCK A. You may not check "qualified trust" unless you have a blind trust which has been specifically approved by the Office of Government Ethics. If you, your spouse or dependent child are the beneficiary of a trust which no one of you created and has no knowledge of the assets, refer to the instructions to see if it qualifies as an "excepted trust." If "none" (or less than $101) is checked under Category of Amount of Income, no other entries need be made in BLOCK C for that item.

Incumbents and Termination Filers only: In BLOCK D, for any real property, stocks, bonds, commodities futures and other securities listed in BLOCK A, did you purchase, sell, or exchange the item during the reporting period for a value that exceeds $1000?

S or DC	BLOCK A Assets & Income Sources Identify each asset and income source of yours, your spouse(S) and your dependent child (DC). NONE ☐	BLOCK B Valuation of Assets Category of Value (X) None (or less than $1001)	$1,001-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	$100,001-$250,000	Over $250,000	BLOCK C Income Type of Income (X) Dividends	Rent	Interest	Capital Gains	Excepted Trust	Qualified Trust	Other (Specify Type)	Category of Amount of Income (X) None (or less than $101)	$101-$1,000	$1,001-$2,500	$2,501-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	Over $100,000	Actual Amount Only if "Other" Specified	Date (Mo., Day, Yr.) Only if Honoraria	BLOCK D Transactions Test If yes, complete Sched. B Part I for those assets including those sold for a loss YES	NO
Example	X Y Z Common				x				x									x								x	
	Doe Jones & Smith, Hometown, USA			x											partnership income									$10,000			
1	NCNB/Texas National Bank Dallas, Texas (IRA)				X						X							X									
2	U.S. Treasury (CSR) Washington, D.C.														pension						X			40,743			
3	Cosby Bureau International Washington, D.C.														lecturing fees							X		70,000	(see list at Schedule D for itemization)		
4	Southern Methodist Univ. Dallas, Texas														lecturing fees						X			50,000			
5	Juford-McManus Int'l, Inc. Washington, D.C. (Govt contract consulting)														consulting fees					X				10,000			
6	Navy League of the U.S. Washington, D.C.														speaking fee		X							1,000			
7	Verlag Mittler & Sons Postfach, Germany														fee for article		X							156			
8	Independent Television News Washington, D.C.														interview		X							300			
9	General Electric Corp Washington, D.C.														speaking fee			X						2,000			
10	Pergamon Press, Inc. Elmsford, New York														board fee				X					4,000			

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SF 278 (Rev. [illegible])
[illegible]
U.S. Office of Personnel Management

Form Approved
OMB No. [illegible]

Reporting Individual's Name		Page Number	Schedule
JOHN G. TOWER	**Assets and Income**	4	A

All Filers: In BLOCK A report (a) the identity of each asset held for the production of income at the close of the reporting period which had a fair market value exceeding $1000 and (b) any other asset or source of income which generated over $100 in income during the reporting period. This includes but is not limited to employers, stocks, bonds, tax shelters, bank accounts, real property, mutual funds, pensions, IRA assets, assets of certain trusts, commodities futures, personal businesses and partnership interests. Exclude your personal residence unless you rent it out. See instructions for rules on bank accounts and complex holdings.

All Filers: In BLOCK B report the value of each asset listed in BLOCK A which had a fair market value exceeding $1000 at the close of the reporting period.

All Filers: In BLOCK C report the type and amount of income exceeding $100 received from the assets and other sources of income listed in BLOCK A. You must report the actual amount of any income not of a type specifically noted below. You need not report the actual amount of your spouse's earned income, only the source in BLOCK A. You may not check "qualified trust" unless you have a blind trust which has been specifically approved by the Office of Government Ethics. If you, your spouse or dependent child are the beneficiary of a trust which no one of you created and has no knowledge of the assets, refer to the instructions to see if it qualifies as an "excepted trust." If "none" (or less than $101) is checked under Category of Amount of Income, no other entries need be made in BLOCK C for that item.

Incumbents and Termination Filers only: In BLOCK D, for any real property, stocks, bonds, commodities futures and other securities listed in BLOCK A, did you purchase, sell, or exchange the item during the reporting period for a value that exceeds $1000?

	BLOCK A Assets & Income Sources	BLOCK B Valuation of Assets							BLOCK C Income																	BLOCK D Transactions Test	
	Identify each asset and income source of yours, your spouse(S) and your dependent child (DC). NONE ☐	Category of Value (X)							Type of Income (X)							Category of Amount of Income (X)										If yes, complete Sched. B Part I for those assets including those sold for a loss	
S or DC		None (or less than $1001)	$1,001-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	$100,001-$250,000	Over $250,000	Dividends	Rent	Interest	Capital Gains	Excepted Trust	Qualified Trust	Other (Specify Type)	None (or less than $101)	$101-$1,000	$1,001-$2,500	$2,501-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	Over $100,000	Actual Amount Only if "Other" Specified	Date (Mo., Day, Yr.) Only if Honoraria	YES	NO
Examples	X Y Z Common				X				X									X								X	
	Doe Jones & Smith, Hometown, USA			X											partnership income									$50,000			
1	Armed Forces Journal Washington, D. C.														board fee		X							500			
2	Micronyx, Inc (Computer Security Firm) Richardson, TX		X (stock option)*												consulting fee				X					3,000			
3	Touche-Ross, Inc New York, NY														fee for article				X					4,000			
4	Editorial Writers Assn. Austin, TX														fee for speech		X							500			
5	National Defense Univ.														fee for speech		X							500			
6	Tower, Eggers & Greene, Consultants, INC, Dallas, TX	X													none									none (but see schedule C, part II)			
7																											
8																											
9																											
10																											

* No income has been derived from this stock option.

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Reporting Individual's Name

JOHN G. TOWER

Page Number 5

Schedule C

Part I
Liabilities

All Filers: Report liabilities over $10,000 owed to any one creditor at any time during the reporting period by you, your spouse or dependent child. Check the highest amount owed during the reporting period. Exclude a mortgage on your personal residence unless it is rented out, loans secured by automobiles, household furniture or appliances, and liabilities owed to relatives. See instructions for revolving charge accounts.

NONE ☐

S or UC		Creditor (Name and Address)	Type of Liability	Date Incurred	Interest Rate	Term if applicable	Category of Amount or Value (X)				
							$10,001 to $15,000	$15,001 to $50,000	$50,001 to $100,000	$100,001 to $250,000	Over $250,000
	Examples	First District Bank, Washington, DC	Mortgage on rental property, Rehoboth Beach, Delaware	1981	13%	25 yrs			X		
		John Jones, 123 J St., Washington, DC	Promissory note	1979	10%	on demand	X				
	1	Dickstein, Shapiro & Morin 2101 L Street, N.W., Washington, D. C.	legal fees (paid in full 11/88)	1987	none			X			
	2										
	3										
	4										
	5										
	6										

Part II
Agreements Or Arrangements

All Filers: Report your agreements or arrangements for future employment, leaves of absence, continuation of payment by a former employer (including severance payments), or continuing participation in an employee benefit plan. See instructions regarding the reporting of negotiations for any of these arrangements or benefits.

NONE ☐

	Status and Terms of any Agreement or Arrangement	Parties	Date (Mo., Yr.)
Example	Pursuant to partnership agreement, will receive capital account & partnership share calculated on service performed through 11/83	Doe Jones & Smith, Hometown, USA	7/79 ptnrship agmnt
	(See attached schedule)		

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SCHEDULE C: Part II
Agreements or Arrangements

John G. Tower
Page 6

Status and Terms of any Agreement or Arrangement	Parties	DATE
Two compensation matters remain from my membership in the firm of Tower, Eggers & Greene, Consultants, Inc. (TEG). (June 87 - December 88)	Tower, Eggers & Greene Dallas, Texas	June 87 - December 88
1. During that time, Oxford First Corporation agreed to pay TEG 0.75% of the purchase price of financial paper to be acquired by Oxford from a major United States corporation, in the event of a successful acquisition. As part owner of TEG at the time of the agreement, my share would be one-fourth of the amount paid TEG. As the purchase price and the face amount of such paper are matters to be agreed by other parties, I can not estimate the amount, if any, that will be paid to me by TEG.		
2. Also during that time, TEG agreed with Joseph Muller Corporation Zurich to distribute Joseph Muller's skin moisturizer, Embri Lisse. TEG makes a profit before expenses of $6.60 per tube of moisturizer sold, and I am entitled to one-fourth of the net profits.		
I have recently indicated my intent to sell a stock option for 5,000 shares of Micronyx, Inc. common stock. Micronyx is a privately held computer security company whose stock is not frequently traded; therefore, a market value would be difficult to ascertain. The option price, however, is three dollars per share.	Micronyx, Inc. Dallas, Texas	December 87
Serve as Distinguished Lecturer in Political Science at Southern Methodist University - on unpaid leave.	Southern Methodist University Dallas, Texas	September 86

Reporting Individual's Name

JOHN G. TOWER

Page Number 7

Schedule D

Part I
Positions Held Outside U.S. Government

All Filers: Report any positions held during the applicable reporting period. Positions include but are not limited to those of an officer, director, trustee, general partner, proprietor, representative, employee or consultant of any corporation, firm, partnership, or other business enterprise or any non profit organization or educational institution. Exclude positions with religious, social, fraternal, or political entities or those solely of an honorary nature.

NONE ☐

	Organization (Name and Address)	Type of Organization	Position Held	From (Mo., Yr.)	To (Mo., Yr.)
Examples:	Nat'l Assn. of Rock Collectors, NY, NY	Non profit education	President	6/83	6/83
	Doe Jones & Smith, Hometown, USA	Law firm	Partner	7/75	11/83
	(See attached schedule)				

Part II
Compensation In Excess Of $5000
Paid by One Source

Nominees and New Entrants only: Report sources of such compensation received by you or your business affiliation for services directly provided by you during the reporting period. This includes the names of clients and customers of any corporation, firm, partnership or other business enterprise, or any nonprofit organization, when you directly provided the services generating a fee or payment of more than $5,000. You need not report the U.S. Government as a source

NONE ☐

	Source (Name and Address)	Brief Description of Duties
Examples:	Doe Jones & Smith, Hometown, USA	Legal services
	Metro University (client of Doe Jones & Smith), Hometown, USA	Legal services in connection with university construction
	(See attached schedule)	

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SCHEDULE D: Part I
Positions Held Outside U.S. Government

Organization	Type	Position	From	To
Astrotech International* Pittsburgh, PA	Business Corporation	Member, Board of Directors	6/86	12/31/88
British Aerospace, Inc.* Washington, D. C.	Business Corporation	Member, Board of Directors Consultant	6/86	12/1/88
Hicks & Associates* McLean, Virginia	Business Corporation	Consultant	5/87	12/1/88
LTV Aerospace & Defense Corp.* Dallas, Texas	Business Corporation	Consultant	6/86	12/1/88
Martin-Marietta Information Systems* Group, Inc. Bethesda, Maryland	Business Corporation	Consultant	9/87	12/1/88
Jeford-McManus* Washington, D. C.	Govt Contract Consulting Firm	Consultant	4/88	6/88
Kappa Sigma Memorial Foundation Charlottesville, VA	Non-Profit Corporation	Trustee	9/67	Present
Maxwell Communications Corp* London, England	Business Corporation	Consultant	3/87	1/20/89
Pergamon Brassey's International Defense Publishers, Inc	Business Corporation	Chairman of the Board of Directors	6/86	1/20/89
Textron, Inc* Washington, D. C.	Business Corporation	Consultant	5/88	12/1/88
Rockwell International, Inc* El Segundo, California	Business Corporation	Consultant	7/86	12/1/88
Southern Methodist University Dallas, Texas	Educational	Distinguished Lecturer	9/86	on leave as of 1/1/89
		Trustee	1968	4/87

SCHEDULE D: Part I, continued
Positions Held Outside U.S. Government

Organization	Type	Position	From	To	
Southwestern University	Educational	Trustee	1968	Present	
Tower, Eggers & Greene Consultants, Inc.	Business Corporation	Chariman, Board of Directors	6/87	12/31/88	
John Tower & Associates	Private Firm	Sole Proprietor	7/86	disolved 1/1/89	(All consulting contracts were executed between clients and John G. Tower.)
Micronyx, Inc.* Richardson, Texas (Computer Security Firm)	Business Corporation	Consultant	9/87	2/88	
Advanced Intelligence Technologies, Inc. Dallas, Texas	Business Corporation	Member, Board of Directors	5/87	9/87	
Payna Bridge, Inc Dallas, Texas	Bridge Construction and Operation Company	Member, Board of Directors	10/88	12/31/88	
Lone Star Partners c/o John O'Hara Brownsville, Texas (Formed for purpose of bank purchase)	Investment Partnership	Partner	6/88	7/30/88	
Armed Forces Journal Washington, D.C.	Publication	Chairman of the Board		1/20/89	

* Indicates a consulting client of John G. Tower

SCHEDULE D: Part II
Compensation in Excess of $5000 from One Source (1987-1988+1/20/89)

John G. Tower
Page 10

Source	Description of Duties
Astrotech International Pittsburgh, PA	Member of Board, consulting services
British Aerospace, Inc. Washington, D.C.	Member of Board, consulting services
Hicks & Associates McLean, VA	consulting services
LTV Aerospace & Defense, Inc. Dallas, Texas	consulting services
Jefford-McManus (government contract consulting firm) Washington, D.C.	consulting services
Martin-Marietta Information System Group, Inc. Bethesda, MD	consulting services
Maxwell Communications Corp London, England	consulting services
Rockwell International El Segundo, CA	consulting services
Textron, Inc. Washington, D.C.	consulting services
Pergamon Press, Inc. Elmsford, New York	Chm. of Board - fees
Southern Methodist University Dallas, Texas	lecturing and moderating panels
Cosby Bureau International (agent) Washington, D.C.	speaking fees for speeches before the following institutions:

SCHEDULE D: Part II
Compensation in Excess of $5000 from One Source (1987-1988)

John G. Tower
Page 11

Source	Description of Duties	Amount for Speeches
Notre Dame University, South Bend, IN	speech - 4/1/87	$8,702.40
Chase Manhattan Bank, New York, NY	speech - 4/6/87	10,000.00
Touche Ross & Company, New York, NY	speech - 4/9/87, article 12/87	12,000.00 for speech, 4,000 for article
American Textile Manufacturers Assn., Washington, D.C.	speech - 4/11/87	12,000.00
University of Central Florida, Orlando, FL	speech - 4/30/87	12,000.00
Spencer Stewart Association, Houston, TX	speech - 5/4/87	10,000.00
Virginia Commonwealth University, Richmond, VA	speech - 5/16/87	8,000.00
Sweet Briar College, Lynchburg, VA	speech - 5/17/87	8,000.00
Ohio State University, Columbus, Ohio	speech - 5/20/87	12,000.00
University of Tennessee, Knoxville, TN	speech - 5/21/87	8,000.00
Illinois Bankers Assn., Chicago, IL	speech - 6/11/87	12,000.00
McDonald's Corporation, Oak Brook, IL	speech - 8/18/87	12,000.00
Miami University, Oxford, OH	speech - 9/17/87	8,000.00
Foothill College, Los Altos Hills, CA	speech - 10/9/87	12,000.00
Hiram College, Hiram, OH	speech - 10/12/87	8,000.00
American Trucking Assn., Alexandria, VA	speech - 10/26/87	12,000.00
Springs Industries, New York, NY	speech - 10/29-30/87	12,000.00
State Univ of New York, Buffalo, NY	speech - 11/19/87	12,000.00
Florida International Alliance, Ormond Beach, FL	speech - 10/27-28/87	16,000.00

SCHEDULE D: Part II, continued
Compensation in Excess of $5000 from One Source (1987 - 1988)

John G. Tower
Page 12

Source	Description of Duties	Amount for Speeches
American Hardware Supply Co., Butler, PA	speech - 9/13/87	$12,000.00
Northern Trust Forum, Miami, FL	speech - 2/3/88	12,000.00
National Utility Contractors, Arlington, VA	speech - 2/21/88	10,000.00
Texas A&M University, College Station, TX	speech - 4/26/88	8,000.00
National Association of Surety Bond Producers, Bethesda, MD	speech - 5/7/88	8,000.00
Henry M. Jackson Foundation, Seattle, WA	speech - 5/16/88	10,000.00
American Supply Association, Chicago, IL	speech - 11/4/88	12,000.00
William Paterson College, Wayne, NJ	speech - 11/11/88	10,000.00

Attachment to Schedule D

Following is a list of former clients of Tower, Eggers and Greene, Consultants, Inc., during my membership of that company:

AUTOSIMULATIONS, INCL
CONTINENTAL INDUSTRIES CO., A.G.
FIRST FEDERAL SAVINGS BANK OF NEW ORLEANS
GARY AIRCRAFT CORPORATION
INTERNATIONAL HOSPITALITY PROPERTIES
MAXWELL COMMUNICATION CORPORATION plc
MILBURN INVESTMENTS, INC.
JOSEPH MULLER CORPORATION ZURICH
OXFORD FIRST CORPORATION
PRENTISS PROPERITIEES LIMITED, INC.
SILVER SADDLE RANCH & CLUB, INC.
UNIMARK COMPANIES

ITEM 4

Rec from Sherrie Marshall Jan 1989

FINANCIAL DISCLOSURE REPORT

Form Approved
Page 1 4:25 pm

Reporting Status (Check Appropriate Box)
☐ Incumbent ☐ New Entrant, Nominee, or Candidate ☒ Termination Report

NOTE
All schedules must be filed. Enter "None" in areas or across schedules where appropriate.

Agency Use Only	OGE Use Only
OCT 21 1986	JAN 10 5:30

Reporting Individual's Name	Last Name: TOWER	First Name and Middle Initial: JOHN G.
Position for Which Filing	Title of Position: Rank of Ambassador, U. S. Negotiator on Strategic Nuclear Arms	Department or Agency (If Applicable): Department of State
Location of Present Office	Address (Number, Street, City, State and Zip Code): 3811 Turtle Creek, Dallas Texas 75219 and 2101 L. Street, Washington, D. C. 20427	

Date of Appointment, Candidacy, Election or Nomination (Mo., Day, Yr.)	Termination Date (If Applicable) (Month, Day, Year)
	April 1, 1986
Room Number	**Telephone No. (Include Area Code)**
Suite 710 10th Floor	214 526-5997 202 775-4789

Presidential Nominees Subject to Senate Confirmation
Name of Congressional Committee Considering Nomination: --
Do You Intend to Create a Qualified Diversified Trust? ☐ Yes ☒ No

Position(s) Held With the Federal Government During the Preceding 12 Months (If Not Same as Above)
Title of Position(s) and Date(s) Held: Same as above

Certification
I CERTIFY that the statements I have made on this form and all attached schedules are true, complete and correct to the best of my knowledge and belief.
Signature of Reporting Individual: John G. Tower
John G. Tower
Information in this report is as of 4/1/86
Date (Month, Day, Year): 10/21/86

Agency Ethics Official's Opinion
The information contained in this report discloses no conflict of interest under applicable laws and regulations.
Signature of Designated Agency Ethics Official/Reviewing Official: James H. Thessin
Date (Month, Day, Year): 2-17-87

Office of Government Ethics Use Only ➤
Signature:
Date (Month, Day, Year):

Comments of Reviewing Officials (If additional space is required, use the reverse side of this sheet)

1) INFORMATION RECEIVED 10/22/86 BY TELECON WITH MARTHA KIRKENDALL, ACCOUNTANT, DALLAS.

2) Per Telecon with Ms. KIRKENDALL 10/30/86.

(Check box if comments are continued on the reverse side) ☐

INCOME AND INTERESTS IN PROPERTY

This schedule is applicable in the case of all reporting individuals

	Yes	No
Do you, your spouse, or dependent child receive income from, or have a beneficial interest in a trust? See Appendix A		X
If yes, have you reported the income from the trust?		
If yes, have you reported the assets of the trust?		
If yes, is the trust an "excepted" trust? ☐ Yes ☐ No or "qualified" trust?		

Are there any interests in property, [illegible] of a spouse or dependent [illegible] See Appendix A. X

If Yes, do you certify, [illegible]

1. They represent solely your spouse's [illegible] financial interest or responsibility
2. They are not in any way past or present derived from your income, assets or activities
3. You neither derive, nor expect to derive, any financial or economic benefit from them, and
4. You do not have knowledge as to the composition of such interest or liabilities

See Appendix A

Yes	No
X	

[illegible] ► [illegible] A

[illegible]WER, [illegible] G.

Agency Use Only

Date of Filing (Month Day Year)

Source (S, J, or DC)	Identification	Dividends	Rent	Interest	Capital Gains	Excepted Trust	Qualified Trust	Other (Specify)	None (or less than $101)	$101-$1,000	$1,001-$2,500	$2,501-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	Over $100,000	Actual Amount Only if "Other" Specified	(Mo, Day, Yr) Only if Honoraria	Valuation Method	$1,001-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	$100,001-$250,000	Over $250,000
	Blow Out Preventer (Machinery for offshore drilling rig)		x											x									x		
	Republic Bank Corporation Dallas, Texas							Fees for Board Service Prior Govt (State) service.				x					$3,500.00								
	InterFirst Bank - IRA Wichita Falls, Texas			x						x											x				
	Mercantile Bank/San Antonio NOW checking account			x						x											x				
	U. S. Government pension								CY85 $38,724 CY86 to 4/1/86 $9,381																
	Astrotech International Corp. 2 Chatham Center #240							Fees for Directorship Prior to Govt (State) service									$5000.00								
J	Astrotech International							Consulting Fee (Prior to Govt (State) service									$2000.00								
J	Republic Bank Corporation Dallas, Texas			x					x											x					

APPENDIX A

Whatever interests my spouse may have are derived from her separate estate and are neither under my control nor within my knowledge. Prior to marriage, we entered into an agreement that her property prior to marriage and all income therefrom would be held by her as her sole and separate estate, and that she would manage it and have exclusive control, use, and benefit, if any, as well as exclusive burden and liability, if any, and that it will descend to her heirs, devisees, or legatees, and I will disclaim any interest whatsoever under the laws of descent and distribution.

John G. Tower

John G. Tower

PURCHASES, SALES, AND EXCHANGES

This schedule is applicable only in the case of annual and termination reports

Page Number ▶	4	Schedule B

John G. Tower

Agency Use Only

Date of Filing (Month, Day, Year)

Report Applicable Transactions, Even if Also Reported on Schedule A

S or DC	Identification of Property (real and personal)	Type of Transaction			Date (Month, Day, Year)		Category of Amount or Value (✓)					
		Purchase	Sale	Exchange	Purchase	Sale or Exchange	$1,001 to $5,000	$5,001 to $15,000	$15,001 to $50,000	$50,001 to $100,000	$100,001 to $250,000	Over $250,000
	NONE											

Reporting Individual's Name: John C. Tower

Agency Use Only — Date of Filing (Month, Day, Year)

Page Number ➤ 6

Schedule D

LIABILITIES

This schedule, except as noted for the [illegible], applicable in the case of all reporting [illegible]

Name and Address of Creditor	Type of Liability (e.g., promissory note, margin account) Give date, interest rate and, if applicable, term	$10,001 to $15,000	$15,001 to $50,000	$50,001 to $100,000	$100,001 to $250,000	Over $250,000
Mercantile Bank San Antonio, Tx 75284 Loop 410 at McCullough, P. O. Box 32267	Promissory note dated May 1981, payable in 60 consecutive monthly installments, beginning June 20, 1981, at a variable rate of 1% over Federal Discount Rate. Secured by lease agreement on drilling rig equipment.			x		

POSITIONS HELD

Name and Address of Organization	Type of Organization	Position Held	From (Mo., Yr.)	To (Mo., Yr.)
Southern Methodist University, Dallas, Texas 75275	Educational	Trustee	1967	Current
Southwestern University, Georgetown, Texas	Educational	Trustee	1967	Current
(Directorships of Republic Bank Corp., SPACE SHUTTLE OF AMERICA CORP 3/ and Astrotech International Corp. resigned prior Government (State) Service)				

COMPENSATION IN EXCESS OF $5,000 PAID BY ONE SOURCE

This section is applicable only in the case of holdings and new [illegible]

Source (Name and Address)	Brief Description of Duties
NA	

[illegible] WITH OTHER EMPLOYERS

Description of Terms of Any Agreement or Arrangement	Parties	Date (Mo., Day, Yr.)
NONE except as in "Positions Held" block above.		

File this report with the Secretary of the Senate, Office of Public Records, Room 823, 119 D Street, N.E., Washington, D.C. 20510.

ITEM 5

[illegible] SENATE
DATE
[illegible] 2 37
37

SENATE PUBLIC FINANCIAL DISCLOSURE REPORT

For use by Senators, candidates for the Senate, officers and employees of the Senate, and Legislative Branch employees. See the Instructions for who must file and when the report is due.

If more space is needed, attach additional pages.

Complete the following identifying information. Please type or print clearly, using black or blue-black ink.

I. Name: JOHN G. TOWER

Office Address: 179 Russell Senate Office Building

Office Telephone: 202/224-2934

II. Check the appropriate box and fill in the blanks.

☒ Member of the Senate.

☐ *Candidate for the Senate, from the State of: ________

☐ Officer or Employee of the Senate-Employing Office: ________

☐ Other Legislative Branch Employee-Employing Office: ________

III. Report Type

☒ Annual

☐ Amendment

☐ *Commencement of Senate Candidacy or Employment

*The date I have chosen for purposes of reporting financial information is ________.

---

*If you are a CANDIDATE or NEW EMPLOYEE, you must choose a date for reporting purposes. This date must be within 31 days of the date this form is filed. See page 3 of the Instructions on "Coverage Period."

D-93

1. INCOME OTHER THAN HONORARIA, INTEREST, RENT, CAPITAL GAINS, AND TRUST AND ESTATE INCOME

Identify the recipient, amount, and source of earned income aggregating $100 or more. *
See the Instructions and accompanying sample forms.

Recipient	Source	Amount (Gross)
Reporting Individual	none	

2. HONORARIA

List each honorarium received during the calendar year aggregating $100 or more, including the source, amount, services provided, and date.

See the Instructions and accompanying sample forms.

Date	Source	Service	Amount or Value (Net)

SEE ATTACHMENT I

87010030679

1983 ATTACHMENT I: HONORARIA

DATE RECEIVED	SOURCE & PRINCIPAL ADDRESS	SERVICE	AMOUNT
March 9	American Security Council Foundation American Legion Auxiliary - Boston, VA	Speech	$2,000.00
March 23	The Washington Post, Washington, D.C.	Article	100.00
March 23	Shipbuilders Council of America, Washington, D.C.	Speech	2,000.00
March 29	Aerospace-Electronics Group, Bendix Corporation Arlington, VA	Speech	2,000.00
March 29	General Electric Company - Housing Industry Conference, Fairfield, Connecticut	Speech	2,000.00
March 31	RGK Foundation, Austin, Texas	Speech	2,000.00
April 4	American Business Conference, Washington, D.C.	Speech	2,000.00
April 4	American Public Transit Association, Washington, D.C.	Speech	2,000.00
April 12	Economic Council of Palm Beach County, Palm Beach, FL	Speech	2,000.00
May 23	National Association of Realtors, Washington, D.C.	Speech	2,000.00
May 24	Electronic Industries Association, Washington, D.C.	Speech	2,000.00
June 7	New York Times, New York, NY	Article	150.00
June 13	National Association of Home Builders, Washington, D.C.	Speech	2,000.00
June 13	Boston University, Boston, Massachusetts	Speech	2,000.00
June 20	First Albany Corporation, Albany, NY	Speech	2,000.00
June 20	Ernest Wittenberg Associates, Washington, D.C.	Speech	2,000.00
August 2	American Bankers Association, Washington, D.C.	Speech	2,000.00
August 12	American Security Council Foundation, Boston, VA	Speech	2,000.00
Sept. 30	National Association of Mutual Savings Banks, New York, NY	Speech	1,000.00
Nov. 1	Paine, Webber, Mitchell, Hutchins, Chicago, IL	Speech	2,000.00
Nov. 8	American Security Council Foundation, Boston, VA	Speech	2,000.00
Nov. 9	American Foreign Policy Insitute, Boston, VA	Speech	2,000.00
Nov. 9	Security Intelligency Fund, Boston, VA	Speech	2,000.00
Nov. 14	American Business Conference, Washington, D.C.	Speech	2,000.00
Nov. 19	Association of Old Crows, Washington, D.C.	Speech	2,000.00

3. DIVIDENDS, INTEREST, RENT, CAPITAL GAINS, AND INCOME FROM TRUSTS AND ESTATES

Disclose each item of unearned income that exceeds $100 received by the reporting individual, spouse, or dependents. Use the appropriate category of value for the amount. If none, so state. ***See the Instructions and accompanying sample forms.***

Reporting Individual

Source	Category of Value
Mercantile Bank & Trust, San Antonio - interest on NOW account	I
Rent received from drilling rig equipment	V
State of Maryland - interest on income tax refund	IV

4. GIFTS OF TRANSPORTATION, LODGING, FOOD, OR ENTERTAINMENT

State the source of all gifts of transportation, lodging, food, or entertainment received by the reporting individual, spouse, or dependents during the calendar year aggregating $250 or more. If none, so state. *See the Instructions and accompanying sample forms.*

Reporting Individual

NONE

84010030641

5.

GIFTS

State the source and the value and provide a brief description of all gifts (other than gifts of transportation, food, lodging, or entertainment) received by the reporting individual, spouse, or dependents during the calendar year. If none, so state.

See the Instructions and accompanying sample forms.

Source	Value	Description
	NONE	

6.

REIMBURSEMENTS

Identify the source and briefly describe any reimbursements received during the calendar year from any one source aggregating $250 or more. If none, so state.

See the Instructions and accompanying sample forms.

Reporting Individual

Source	Description
National Association of Home Builders Washington, D. C.	Air travel from Fort Lauderdale, Florida to Houston, Tx to Washington, D. C., ground transportation in Houston, and 3 days' food and lodging, January 21-23, 1983.
The Richards Group Dallas, Texas	Round-trip air travel between Washington and Dallas, January 5, 1983.
American Bankers Association Washington, D. C.	Round-trip air travel between Washington and Dallas and transportation to and from Dulles airport, July 29-31, 1983.
Beaumont Chamber of Commerce Beaumont, Texas	Round-trip air travel between Washington and Beaumont, 2 days' food and lodging, and transportation to and from Dulles airport, September 23-24, 1983.

84010030642

7. **PROPERTY**

Identify each interest in property that had or has a fair market value in excess of $1,000. If none, so state.

See the Instructions and accompanying sample forms.

Reporting Individual

Identity	Category of Value	Valuation Method
NOW checking account, Mercantile Bank, San Antonio	C	
Individual Retirement Account InterFirst Bank, Wichita Falls, Tx	A	
Drilling rig equipment	Purchased on May 1, 1981, for $107,039.00	

8. **LIABILITIES**

Describe each personal liability owed which exceeded $10,000 at any time during the calendar year. If none, so state.

See the Instructions and accompanying sample forms.

Reporting Individual

Identity **Category of Value**

Promissory Note executed May 1981, payable in 60 consecutive monthly installments, beginning June 20, 1981, at a variable rate of 1% over Federal Discount Rate, owed to Mercantile Bank, San Antonio. Loan secured by lease agreement on drilling rig equipment. Category of value: D

Promissory Note with Mercantile Bank, San Antonio, renewed December 7 @ 12% annual interest, due March 7, 1983; Paid in full, March 2, 1983. Category of value: B (Secured by lease agreement on drilling rig equipment.)

84010030643

9. TRANSACTIONS IN SECURITIES, COMMODITIES FUTURES, AND REAL PROPERTY

Describe transactions in securities, commodities futures, and real property during the calendar year which exceeded $1,000, along with their dates and categories of value. If none, so state.
See the Instructions and accompanying sample forms.

Reporting Individual

Identity	Transaction	Date	Category of Value
	NONE		

10. NON-GOVERNMENTAL POSITIONS

Identify all positions held by the reporting individual with any organization other than the United States Government. If none, so state.
See the Instructions and accompanying sample forms.

Reporting Individual

Organization	Position Held
Southern Methodist University Dallas, Texas	Board of Trustees
Southwestern University Georgetown, Texas	Board of Trustees
Kappa Sigma Foundation Charlottesville, Virginia	Trustee

11. AGREEMENTS FOR FUTURE EMPLOYMENT OR CONTINUATION OF PAYMENTS OR BENEFITS

Report information under this section with respect to agreements involving yourself only (not your spouse or dependents).

A. Describe the terms of, and the parties to, any contract, promise, or other agreement which existed during the calendar year between you and any person, firm, or corporation with respect to your employment after you leave your Senate office or position or cease to be a candidate (other than a leave of absence described below).

NONE

B. Describe the terms of, and the parties to, any agreement which existed during the calendar year under which you are taking or planning to take a leave of absence from an office or position outside of the United States Government in order to occupy an office or position in the Senate or to become a candidate for the Senate.

NONE

C. Describe the parties to and the terms of any agreement which existed during the calendar year providing for continuation of payments or benefits to you from a prior employer other than the United States Government. (This would include interests in or contributions to a pension fund, profit-sharing plan, or life or health insurance; buy-out agreements; severance payments; etc.)

NONE

ADDITIONAL INFORMATION

Do you, your spouse or dependent child have a beneficial interest in a trust or other financial arrangement whose holdings were not reported because the trust is a "qualified blind trust" or other excepted trust? (See page 17 of the Instructions.)

See Attachment II for additional statement

Yes ____ No XX

NOTE: Any individual who knowingly and willfully falsifies, or who willfully fails to file this report may be subject to civil sanctions (2 U.S.C. 706).

15 May 1984
Date

John Tower
Signature

U.S. GOVERNMENT PRINTING OFFICE : 1983 - 17-804

ATTACHMENT II: ADDITIONAL INFORMATION

Whatever interests my spouse may have are derived from her separate estate and are neither under my control nor within my knowledge. Prior to marriage, we entered into an agreement that her property prior to marriage and all income therefrom would be held by her as her sole and separate estate, and that she would manage it and have exclusive control, use, and benefit, if any, as well as exclusive burden and liability, if any, and that it will descend to her heirs, devisees, or legatees; and I will disclaim any interest whatsoever either under her will or under the laws of descent and distribution.

John Tower

15 May 1984
Date

John Tower
United States Senator

File this report with the Secretary of the Senate, Office of Public Records, Room 623, 119 D Street, N.E., Washington, D.C. 20510.

9

[illegible] MAY 15 PM 3 41
HAND DELIVERED

9020031252

SENATE PUBLIC FINANCIAL DISCLOSURE REPORT

For use by Senators, candidates for the Senate, officers and employees of the Senate, and Legislative Branch employees. See the Instructions for who must file and when the report is due.

If more space is needed, attach additional pages.

Complete the following identifying information. Please type or print clearly, using black or blue-black ink.

I. Name: JOHN GOODWIN TOWER

Office Address: 176 Russell Senate Office Building

Office Telephone: 202/224-2934

II. Check the appropriate box and fill in the blanks.

☒ Member of the Senate.

☐ *Candidate for the Senate, from the State of: ______

☐ Officer or Employee of the Senate-Employing Office: ______

☐ Other Legislative Branch Employee-Employing Office: ______

III. Report Type

☒ Annual

☐ Amendment

☐ *Commencement of Senate Candidacy or Employment

*The date I have chosen for purposes of reporting financial information is ______

---

*If you are a CANDIDATE or NEW EMPLOYEE, you must choose a date for reporting purposes. This date must be within 31 days of the date this form is filed. See page 3 of the Instructions on "Coverage Period."

D-93

1. INCOME OTHER THAN HONORARIA, INTEREST, RENT, CAPITAL GAINS, AND TRUST AND ESTATE INCOME

Identify the recipient, amount, and source of earned income aggregating $100 or more.
See the Instructions and accompanying sample forms.

Recipient	Source	Amount (Gross)
Reporting Individual	none	

2. HONORARIA

List each honorarium received during the calendar year aggregating $100 or more, including the source, amount, services provided, and date.

See the Instructions and accompanying sample forms.

Date	Source	Service	Amount or Value (Net)

SEE ATTACHMENT I

1982

ATTACHMENT I: HONORARIA

DATE RECEIVED	SOURCE & PRINCIPAL ADDRESS	SERVICE	AMOUNT
Feb. 1	American Paper Institute Washington, D. C,	Speech	$1,000.00
Feb. 10	Ernest Wittenberg Associates, Inc. Senate Leadership Seminar Washington, D. C.	Speech	2,000.00
Feb. 17	Forum Club of the Palm Beaches Riviera Beach, Florida	Speech	200.00
Mar. 2	American College of Foot Surgeons American Podiatry Association Washington, D. C.	Speech	2,000.00
Mar. 30	The Fertilizer Institute Washington, D. C.	Speech	2,000.00
Mar. 30	National Ocean Industries Association Washington, D. C.	Speech	1,000.00
July 9	Arthur B. Laffer Associates Rolling Hills Estates, California	Speech	2,000.00
July 12	American Stock Exchange New York, New York	Speech	2,000.00
July 26	Washington Quarterly Georgetown University Washington, D. C.	Article	300.00
Aug. 9	Institute for Foreign Policy Analysis Cambridge, Massachusetts	Speech	1,000.00
Aug. 31	National Tooling & Machining Association Washington, D. C.	Speech	2,000.00
Oct. 5	American Security Council Foundation Boston, Virginia	Speech	2,000.00
Oct. 11	McGraw-Hill, Inc. Hightstown, New Jersey	Speech	2,000.00
Nov. 5	Mercantile Bank St. Louis, Missouri	Speech	2,000.00
Nov. 5	Centerre Bank, MidAmerican Bancservices, Messrs. Albert O'Brien, Melvin Hall, and A. Bauer All of St. Louis, Missouri	Speech	2,000.00
Nov. 17	Shaklee Corporation San Francisco, California	Speech	1,000.00
Dec. 15	American Security Council Foundation Falls Church, Virginia	Speech	2,000.00

3. DIVIDENDS, INTEREST, RENT, CAPITAL GAINS, AND INCOME FROM TRUSTS AND ESTATES

Disclose each item of unearned income that exceeds $100 received by the reporting individual, spouse, or dependents. Use the appropriate category of value for the amount. If none, so state. *See the Instructions and accompanying sample forms.*

Source	Category of Value
Dallas Federal Savings Association - interest on savings account	I
Mercantile Bank & Trust, San Antonio - interest on NOW account	I
Rent received from drilling rig equipment	V

4. GIFTS OF TRANSPORTATION, LODGING, FOOD, OR ENTERTAINMENT

State the source of all gifts of transportation, lodging, food, or entertainment received by the reporting individual, spouse, or dependents during the calendar year aggregating $250 or more. If none, so state. *See the Instructions and accompanying sample forms.*

Reporting Individual

None

5.

GIFTS

State the source and the value and provide a brief description of all gifts (other than gifts of transportation, food, lodging, or entertainment) received by the reporting individual, spouse, or dependents during the calendar year. If none, so state.

See the Instructions and accompanying sample forms.

Source	**Value**	**Description**
None		

6.

REIMBURSEMENTS

Identify the source and briefly describe any reimbursements received during the calendar year from any one source aggregating $250 or more. If none, so state.

See the Instructions and accompanying sample forms.

Reporting Individual

Source	**Description**
American Podiatry Association Washington, D. C.	Round-trip airfare between Washington, D. C. and Houston, Texas; ground transportation and tips, February 26-27.

7.

PROPERTY

Identify each interest in property that had or has a fair market value in excess of $1,000. If none, so state.

See the Instructions and accompanying sample forms.

Reporting Individual Identity	Category of Value	Valuation Method
Savings account, Dallas Federal Savings	C	
NOW checking account, Mercantile Bank, San Antonio	B	
Individual Retirement Account InterFirst Bank, Wichita Falls	A	
Drilling rig equipment	Purchased on May 1, 1981, for $107,039.00	

8.

LIABILITIES

Describe each personal liability owed which exceeded $10,000 at any time during the calendar year. If none, so state.

See the Instructions and accompanying sample forms.

Reporting Individual Identity — Category of Value

Promissory Note executed May 1981, payable in 60 consecutive monthly installments, beginning June 20, 1981, at a variable rate of 1% over Federal Discount Rate, owed to Mercantile Bank, San Antonio. Loan secured by lease agreement on drilling rig equipment. Category of value: D

Promissory Note executed August 9, 1982, due October 8, 1982, with Mercantile Bank, San Antonio, at 15% annual interest; renewed October 8, 1982 @ 13¼% annual interest, due December 7, 1982; renewed December 7 @ 12% annual interest, due March 7, 1983; (Paid in full, March 2, 1983). Category of value: B (Secured by lease agreement on drilling rig equipment.)

Promissory Note executed August 6, 1982, due October 5, 1982, with InterFirst Bank, Wichita Falls, at prime rate (variable); renewed October 5, 1982, at prime rate (variable), due January 3, 1983. Initial category of value: C; category of value at renewal: B. Unsecured.

9. TRANSACTIONS IN SECURITIES, COMMODITIES FUTURES, AND REAL PROPERTY

Describe transactions in securities, commodities futures, and real property during the calendar year which exceeded $1,000, along with their dates and categories of value. If none, so state.
See the Instructions and accompanying sample forms.

Reporting Individual

Identity	Transaction	Date	Category of Value
None			

10. NON-GOVERNMENTAL POSITIONS

Identify all positions held by the reporting individual with any organization other than the United States Government. If none, so state.
See the Instructions and accompanying sample forms.

Reporting Individual

Organization	Position Held
Southern Methodist University Dallas, Texas	Board of Trustees
Southwestern University Georgetown, Texas	Board of Trustees
Kappa Sigma Foundation Charlottesville, Virginia	Trustee

11. AGREEMENTS FOR FUTURE EMPLOYMENT OR CONTINUATION OF PAYMENTS OR BENEFITS

Report information under this section with respect to agreements involving yourself only (not your spouse or dependents).

A. Describe the terms of, and the parties to, any contract, promise, or other agreement which existed during the calendar year between you and any person, firm, or corporation with respect to your employment after you leave your Senate office or position or cease to be a candidate (other than a leave of absence described below).

NONE

B. Describe the terms of, and the parties to, any agreement which existed during the calendar year under which you are taking or planning to take a leave of absence from an office or position outside of the United States Government in order to occupy an office or position in the Senate or to become a candidate for the Senate.

NONE

C. Describe the parties to and the terms of any agreement which existed during the calendar year providing for continuation of payments or benefits to you from a prior employer other than the United States Government. (This would include interests in or contributions to a pension fund, profit-sharing plan, or life or health insurance; buy-out agreements; severance payments; etc.)

NONE

ADDITIONAL INFORMATION

Do you, your spouse or dependent child have a beneficial interest in a trust or other financial arrangement whose holdings were not reported because the trust is a "qualified blind trust" or other excepted trust? (See page 17 of the Instructions.)

See Attachment II for additional information

Yes ___ No XX

NOTE: Any individual who knowingly and willfully falsifies, or who willfully fails to file this report may be subject to civil sanctions (2 U.S.C. 706).

15 May 83
Date

John Tower
Signature

ATTACHMENT II: ADDITIONAL INFORMATION

Whatever interests my spouse may have are derived from her separate estate and are neither under my control nor within my knowledge. Prior to marriage, we entered into an agreement that her property prior to marriage and all income therefrom would be held by her as her sole and separate estate, and that she would manage it and have exclusive control, use, and benefit, if any, as well as exclusive burden and liability, if any, and that it will descend to her heirs, devisees, or legatees; and I will disclaim any interest whatsoever either under her will or under the laws of descent and distribution. A copy of her individual financial disclosure report is on file with the office of Personnel Management pursuant to her appointment as Director of the Institute for Museum Services.

John Goodwin Tower

15 May '83
Date

John Goodwin Tower
United States Senator

[illegible]

ITEM 6

Year: 19 88 ←

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
X				

(Mark one square only)

Is this an Amendment?
☐ YES ☒ NO

IDENTIFICATION NUMBER 12 488000

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING

1. State name, address, and nature of business.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

Tower & Associates
2101 L Street, N.W. 9th Floor
Washington, D.C. 20037

Consulting Firm

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE on ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER—State name, address, and nature of business. If there is no employer, write "None."

British Aerospace, Inc.
Washington Dulles International Airport
P.O. Box 17414 Washington, D.C. 20041

Defense Contractor

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

1. Duration of 100th Congress

2. FY'89 Defense Authorization/Appropriation and other legislation regarding Department of Defense.

3. None

4. *If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this Item "C 4" and fill out Items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◄

Service anticipated to be in excess of $1,000.00. Expenditures to be in excess of $100.00.

STATEMENT OF VERIFICATION

I declare under penalty of perjury that the information contained herein is true and correct.

Check ONE of the following boxes:

☐ I am reporting AS AN INDIVIDUAL.

☒ I am an employee of the above-named organization and I am authorized to make this verification on behalf of such organization.

Executed on ____________ (date)

(Signature) Richard Billmire
(Typed) Richard Billmire

[illegible] to the first calendar quarter [illegible] covered by this Report [illegible]. The first additional page should be numbered as page "5", and the rest of such pages should be "5a," "5b," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19.88...

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
	X			

(Mark one square only)

IDENTIFICATION NUMBER 12488000

Is this an Amendment? ☐ YES ☒ NO

NOTE on ITEM "A."—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING

1. State name, address, and nature of business.
☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

Tower & Associates
2101 L Street, N.W. 9th Fl.
Washington, D.C. 20037

Consulting Firm

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE on ITEM "B."—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers; except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER

—State name, address, and nature of business. If there is no employer, write "None."

British Aerospace, Inc.
Washington Dulles International Airport
P.O. Box 17414 Washington, D.C. 20041

Defense Contractors

NOTE ON ITEM "C."—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

1. Duration of 100th Congress.

2. FY'89 Defense Authorization/Appropriations and other legislation regarding Department of Defense.

3. None

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this Item "C4" and fill out Items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly Report."

STATEMENT OF VERIFICATION

I declare under penalty of perjury that the information contained herein is true and correct.

Check ONE of the following boxes:

☐ I am reporting AS AN INDIVIDUAL.

☒ I am an employee of the above-named organization and I am authorized to make this verification on behalf of such organization.

Executed on APRIL 11, 1988 (Date)

(Signature)
(Typed) Richard Billmaire

H.D.
APR 11 [illegible]

[illegible] with the influencing of legislation—will have no Receipts to report, even though it does have Expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In general.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contributions under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS)

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $ none Dues and assessments
2. $ none Gifts of money or anything of value
3. $ none Printed or duplicated matter received as a gift
4. $ none Receipts from sale of printed or duplicated matter
5. $ none Received for services (e.g., salary, fee, etc.)
6. $ none TOTAL for this Quarter (Add "1" through "5")
7. $ none Received during previous Quarters of calendar year
8. $ none TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . loan . . ."—§ 302(a).

9. $ none TOTAL now owed to others on account of loans
10. $ none Borrowed from others during this Quarter
11. $ none Repaid to others during this Quarter
12. $ none "Expense Money" and Reimbursements received this quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": no
14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor* ("Period" from Jan. 1 through ...., 19....)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE on ITEM "E".—(a) IN GENERAL. "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—§ 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Expenditures (other than loans)

1. $ none Public relations and advertising services
2. $ none Wages, salaries, fees, commissions (other than Item "1")
3. $ none Gifts or contributions made during Quarter
4. $ none Printed or duplicated matter, including distribution cost
5. $ none Office overhead (rent, supplies, utilities, etc.)
6. $ none Telephone and telegraph
7. $ none Travel, food, lodging, and entertainment
8. $ none All other expenditures
9. $ none TOTAL for this Quarter (Add "1" through "8")
10. $ none Expended during previous Quarters of calendar year
11. $ none TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

Loans Made to Others—"The term 'expenditure' includes a . . . loan . . ."—§ 302(b).

12. $ none TOTAL now owed to person filing
13. $ none Lent to others during this Quarter
14. $ none Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More* none

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following headings: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blatten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

[illegible]

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: [illegible]

Year: 19 88 ←

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	1st	2d	3d	4th
		X		

IDENTIFICATION NUMBER 12488000

Is this an Amendment?
☐ YES ☒ NO

[illegible]

A. ORGANIZATION OR INDIVIDUAL FILING

1. State name, address, and nature of business.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

Tower & Associates
2101 L Street, N.W. 9th Floor
Washington, D.C. 20037

Consulting Firm

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

[illegible]

B. EMPLOYER—State name, address, and nature of business. If there is no employer, write "None."

British Aerospace, Inc.
Washington Dulles International Airport
P.O. Box 17414 Washington, D.C. 20041

Defense Contractors

[illegible]

C. LEGISLATIVE INTERESTS AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

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(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

1. Duration of 100th Congress

2. FY'89 Defense Authorization/Appropriations and other legislation regarding Department of Defense

3. None

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly Report."

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Check ONE of the following boxes:

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☒ I am an employee of the above-named organization and I am authorized to make this verification on behalf of such organization.

July 8, 1988

(c) IF THIS REPORT IS FOR AN EMPLOYER.—(i) In General. Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in connection with legislative interests.

(ii) Receipts of Business Firms and Individuals.—[illegible]

(iii) Receipts of Multi-purpose Organizations.—[illegible]

(d) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) In general. [illegible]

(ii) Employer as Contributor of $500 or More.—[illegible]

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS)

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $ none Dues and assessments
2. $ none Gifts of money or anything of value
3. $ none Printed or duplicated matter received as a gift
4. $ none Receipts from sale of printed or duplicated matter
5. $ none Received for services (e.g., salary, fee, etc.)
6. $ none TOTAL for this Quarter (Add "1" through "5")
7. $ none Received during previous Quarters of calendar year
8. $ none TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . loan . . ."—§ 302(a).

9. $ none TOTAL now owed to others on account of loans
10. $ none Borrowed from others during this Quarter
11. $ none Repaid to others during this Quarter
12. $ none "Expense Money" and Reimbursements received this quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributors? no
Please answer "yes" or "no": ....
14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount *Name and Address of Contributor*
("Period" from Jan. 1 through .... 19....)
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(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Expenditures (other than loans)

1. $ none Public relations and advertising services
2. $ none Wages, salaries, fees, commissions (other than item "1")
3. $ none Gifts or contributions made during Quarter
4. $ none Printed or duplicated matter, including distribution cost
5. $ none Office overhead (rent, supplies, utilities, etc.)
6. $ none Telephone and telegraph
7. $ none Travel, food, lodging, and entertainment
8. $ none All other expenditures
9. $ [illegible] TOTAL for this Quarter (Add "1" through "8")
10. $ [illegible] Expended during previous Quarters of calendar year
11. $ [illegible] TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

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If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

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Amount *Date or Dates—Name and Address of Recipient—Purpose*
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$2,400.00 7-15, 8-15, 9-15: Britten & Blatten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00 TOTAL

"PRELIMINARY" REPORT [illegible]

"QUARTERLY" REPORT [illegible] place an "X" below the appropriate [illegible] The form additional pages should be numbered [illegible] Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19 88 ←

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
			X	

IDENTIFICATION NUMBER 12488000

Is this an Amendment?
☐ YES ☒ NO

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:
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(ii) "Employer".—To file as an "employer," write "None" in answer to Item "B".
(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:
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A. ORGANIZATION OR INDIVIDUAL FILING

1. State name, address, and nature of business.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

Tower & Associates
2101 L Street, N.W.
9th Floor
Washington, D.C. 20037

Consulting Firm

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE on ITEM "B".—Reports by Agents or Employees. An employee is to file, each quarter, as many Reports as he has employers; except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER

State name, address, and nature of business. If there is no employer, write "None."

British Aerospace, Inc.
Washington Dulles International Airport
P.O. Box 17414
Washington, D.C. 20041

Defense Contractor

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).
(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed, in connection with legislative interests, set forth: (a) description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

1. Duration of 100th Congress

2. FY'89 Defense Authorization/Appropriation and other legislation regarding Department of Defense.

3. None

4. *If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report,* state below what the nature and amount of anticipated expenses will be, and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this Item "C 4" and fill out Items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

STATEMENT OF VERIFICATION

I declare under penalty of perjury that the information contained herein is true and correct.

Check ONE of the following boxes:

☐ I am reporting AS AN INDIVIDUAL.

☒ I am an employee of the above-named organization and I am authorized to make this verification on behalf of such organization.

Executed on October 10, 1988 (Date)

(Signature)

(Typed) Richard D. Billmire

. . . to make a contribution"—§ 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in connection with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In general.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contributions under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS)

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $ none Dues and assessments
2. $ none Gifts of money or anything of value
3. $ none Printed or duplicated matter received as a gift
4. $ none Receipts from sale of printed or duplicated matter
5. $ none Received for services (e.g., salary, fee, etc.)
6. $ none TOTAL for this Quarter (Add "1" through "5")
7. $ none Received during previous Quarters of calendar year
8. $ none TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . loan . . ."—§ 302(a).

9. $ none TOTAL now owed to others on account of loans
10. $ none Borrowed from others during this Quarter
11. $ none Repaid to others during this Quarter
12. $ none "Expense Money" and Reimbursements received this quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": NO

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor* ("Period" from Jan. 1 through ...., 19)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE on ITEM "E".—(a) IN GENERAL. "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—§ 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Expenditures (other than loans)

1. $ none Public relations and advertising services
2. $ none Wages, salaries, fees, commissions (other than item "1")
3. $ none Gifts or contributions made during Quarter
4. $ none Printed or duplicated matter, including distribution cost
5. $ none Office overhead (rent, supplies, utilities, etc.)
6. $ none Telephone and telegraph
7. $ none Travel, food, lodging, and entertainment
8. $ none All other expenditures
9. $ none TOTAL for this Quarter (Add "1" through "8")
10. $ none Expended during previous Quarters of calendar year
11. $ none TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

Loans Made to Others—"The term 'expenditure' includes a . . . loan . . ."—§ 302(b).

12. $ none TOTAL now owed to person filing
13. $ none Lent to others during this Quarter
14. $ none Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More* none

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following headings: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blatten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

PLEASE RETURN 1 ORIGINAL TO: THE CLERK OF THE HOUSE OF REPRESENTATIVES, OFFICE OF RECORDS AND REGISTRATION, 1036 LONGWORTH HOUSE OFFICE BUILDING, WASHINGTON, D.C. 20515

PLEASE RETURN 1 ORIGINAL TO: THE SECRETARY OF THE SENATE, OFFICE OF PUBLIC RECORDS, 232 HART SENATE OFFICE BUILDING, WASHINGTON, D.C. 20510

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19 89 ←

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER 1st	2d	3d	4th
				X
(Mark one square only)				

IDENTIFICATION NUMBER 12488000

Is this an Amendment?
☐ YES ☑ NO

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING

1. State name, address, and nature of business.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

Tower & Associates
2101 L Street, N.W.
9th Floor
Washington, D.C. 20037

Consulting Firm

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

RECEIVED
SECRETARY OF THE SENATE
'89 JAN 17 PM 1:53
HAND DELIVERED

NOTE on ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers; except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER—State name, address, and nature of business. If there is no employer, write "None."

British Aerospace, Inc.
Washington Dulles International Airport P.O. Box 17414
Washington, D.C. 20041

Defense Contractor

NOTE on ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☒

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed, in connection with legislative interests, set forth: (a) description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

1. Duration of 100th Congress

2. FY'89 Defense Authorization/Appropriation and other legislation regarding Department of Defense

3. None

RECEIVED
SECRETARY OF THE SENATE
'89 JAN 17 PM 1:53
HAND DELIVERED

4. *If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C 4" and fill out items "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.* ←

STATEMENT OF VERIFICATION

I declare under penalty of perjury that the information contained herein is true and correct.

Check ONE of the following boxes:

☐ I am reporting AS AN INDIVIDUAL.

☒ I am an employee of the above-named organization and I am authorized to make this verification on behalf of such organization.

Executed on January 10, 1989 (Date)

(Signature) Richard D. Billmire

(Typed) Richard D. Billmire

'89 JAN 17 PM
H.D.
SECRETARY OF THE SENATE

NOTE on ITEM "D".—(a) IN GENERAL. The term "contribution" includes anything of value. When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term contribution includes a gift, subscription, loan, advance, or deposit of money, or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—§ 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in connection with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multi-purpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In general.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contributions under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS)

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $ NONE Dues and assessments
2. $ NONE Gifts of money or anything of value
3. $ NONE Printed or duplicated matter received as a gift
4. $ NONE Receipts from sale of printed or duplicated matter
5. $ NONE Received for services (e.g., salary, fee, etc.)
6. $ NONE TOTAL for this Quarter (Add "1" through "5")
7. $ NONE Received during previous Quarters of calendar year
8. $ NONE TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . loan . . ."—§ 302(a)

9. $ NONE TOTAL now owed to others on account of loans
10. $ NONE Borrowed from others during this Quarter
11. $ NONE Repaid to others during this Quarter
12. $ NONE "Expense Money" and Reimbursements received this quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributions? Please answer "yes" or "no": NO
14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

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(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Expenditures (other than loans)

1. $ NONE Public relations and advertising services
2. $ NONE Wages, salaries, fees, commissions (other than Item "1")
3. $ NONE Gifts or contributions made during Quarter
4. $ NONE Printed or duplicated matter, including distribution cost
5. $ NONE Office overhead (rent, supplies, utilities, etc.)
6. $ NONE Telephone and telegraph
7. $ NONE Travel, food, lodging, and entertainment
8. $ NONE All other expenditures
9. $ NONE TOTAL for this Quarter (Add "1" through "8")
10. $ NONE Expended during previous Quarters of calendar year
11. $ NONE TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

Loans Made to Others—"The term 'expenditure' includes a . . . loan . . ."—§ 302(b).

12. $ NONE TOTAL now owed to person filing
13. $ NONE Lent to others during this Quarter
14. $ NONE Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More* NONE

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following headings: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

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$4,150.00	TOTAL

GPO [illegible]

[illegible] "P" and [illegible]
QUARTERLY REPORT [illegible] "X" [illegible] covered by this Report [illegible] "X" [illegible] additional pages as may be required. The first additional page should be numbered as page [illegible] the rest of such pages should be [illegible]. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19 88 ←

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
X	1st	2d	3d	4th
(Mark one square only)				

IDENTIFICATION NUMBER 12488001

Is this an Amendment?
☐ YES ☒ NO

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:
(i) "Employee".—To file as an "employee," state (in Item "B") the name, address, and nature of business of the "employer." (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee.")
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(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING

1. State name, address, and nature of business.
☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

Tower & Associates
2101 L Street, N.W. 9th Fl.
Washington, D.C. 20037

Consulting Firm

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B. EMPLOYER

State name, address, and nature of business. If there is no employer, write "None."

Hick & Associates
1700 Goodridge Road
McLean, Virginia 22101

Consulting Firm

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).
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2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

1. Duration of 100th Congress

2. FY'89 Defense Authorization/Appropriation and other legislation regarding Department of Defense.

3. None

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C 4" and fill out items "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

Services anticipated to be in excess of $1,000.00. Expenditures anticipated to be in excess of $100.00.

STATEMENT OF VERIFICATION

I declare under penalty of perjury that the information contained herein is true and correct.

Check ONE of the following boxes:

☐ I am reporting AS AN INDIVIDUAL.

☒ I am an employee of the above-named organization and I am authorized to make this verification on behalf of such organization.

Executed on ______________ (date)

(Signature)
(Typed) Richard Billmire

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

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Year: 19.88...

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
	X			
(Mark one square only)				

IDENTIFICATION NUMBER 12488001

Is this an Amendment?
☐ YES ☒ NO

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

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(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING

1. State name, address, and nature of business.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

Tower & Associates
2101 L Street, N.W. 9th Fl. Consulting Firm
Washington, D.C. 20037

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE on ITEM "B".—Reports by Agents or Employees. An employee is to file, each quarter, as many Reports as he has employers; except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER

—State name, address, and nature of business. If there is no employer, write "None."

Hicks & Associates
1700 Goodridge Road Consulting Firm
McLean, Virginia 22101

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

1. Duration of 100th Congress.

2. FY'89 Defense Authorization/Appropriations and other legislation regarding Department of Defense.

3. None

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this Item "C 4" and fill out Items "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

H.D.

STATEMENT OF VERIFICATION

I declare under penalty of perjury that the information contained herein is true and correct.

Check ONE of the following boxes:

☐ I am reporting AS AN INDIVIDUAL.

☒ I am an employee of the above-named organization and I am authorized to make this verification on behalf of such organization.

Executed on APRIL 11, 1988 (date)

(Signature) Richard Billmire
(Typed) Richard Billmire

[illegible] in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Purpose of Multi-purpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In general.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS)

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $ none Dues and assessments
2. $ none Gifts of money or anything of value
3. $ none Printed or duplicated matter received as a gift
4. $ none Receipts from sale of printed or duplicated matter
5. $ none Received for services (e.g., salary, fee, etc.)
6. $ none TOTAL for this Quarter (Add "1" through "5")
7. $ none Received during previous Quarters of calendar year
8. $ none TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . loan . . ."—§ 302(a).

9. $ none TOTAL now owed to others on account of loans
10. $ none Borrowed from others during this Quarter
11. $ none Repaid to others during this Quarter
12. $ none "Expense Money" and Reimbursements received this quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": no.........
14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor* ("Period" from Jan. 1 through ...., 19 ...)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE on ITEM "E".—(a) IN GENERAL. "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—§ 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Expenditures (other than loans)

1. $ none Public relations and advertising services
2. $ none Wages, salaries, fees, commissions (other than Item "1")
3. $ none Gifts or contributions made during Quarter
4. $ none Printed or duplicated matter, including distribution cost
5. $ none Office overhead (rent, supplies, utilities, etc.)
6. $ none Telephone and telegraph
7. $ none Travel, food, lodging, and entertainment
8. $ none All other expenditures
9. $ none TOTAL for this Quarter (Add "1" through "8")
10. $ none Expended during previous Quarters of calendar year
11. $ none TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

Loans Made to Others—"The term 'expenditure' includes a . . . loan . . ."—§ 302(b).

12. $ none TOTAL now owed to person filing
13. $ none Lent to others during this Quarter
14. $ none Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More* none

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following headings: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blatten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19...88...

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

IDENTIFICATION NUMBER 12488001

Is this an Amendment?
☐ YES ☒ NO

NOTE on ITEM "A."—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm (such as a law firm or public relations firm), partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING

1. State name, address, and nature of business.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

Tower & Associates
2101 L Street, N.W. 9th Floor
Washington, D.C. 20037

Consulting Firm

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE on ITEM "B."—Reports by Agents or Employees. An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER

—State name, address, and nature of business. If there is no employer, write "None."

Hicks & Associates
1700 Goodridge Road
McLean, Virginia 22101

Consulting Firm

NOTE ON ITEM "C."—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed, in connection with legislative interests, set forth: (a) description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

1. Duration of 100th Congress.

2. FY'89 Defense Authorization/Appropriations and other legislation regarding Department of Defense.

3. None

4. *If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report,* state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this Item "C 4" and fill out Items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

STATEMENT OF VERIFICATION

I declare under penalty of perjury that the information contained herein is true and correct.

Check ONE of the following boxes:

☐ I am reporting AS AN INDIVIDUAL.

☒ I am an employee of the above-named organization and I am authorized to make this verification on behalf of such organization.

[illegible]

(c) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(d) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(e) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In general.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contributions under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS)

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $ None Dues and assessments
2. $ None Gifts of money or anything of value
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4. $ None Receipts from sale of printed or duplicated matter
5. $ None Received for services (e.g., salary, fee, etc.)
6. $ None TOTAL for this Quarter (Add "1" through "5")
7. $ None Received during previous Quarters of calendar year
8. $ None TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . loan . . ."—§ 302(a).

9. $ None TOTAL now owed to others on account of loans
10. $ None Borrowed from others during this Quarter
11. $ None Repaid to others during this Quarter
12. $ None "Expense Money" and Reimbursements received this quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": No
14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

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Expenditures (other than loans)

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3. $ None Gifts or contributions made during Quarter
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6. $ None Telephone and telegraph
7. $ None Travel, food, lodging, and entertainment
8. $ None All other expenditures
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12. $ None TOTAL now owed to person filing
13. $ None Lent to others during this Quarter
14. $ None Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More* None

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following headings: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

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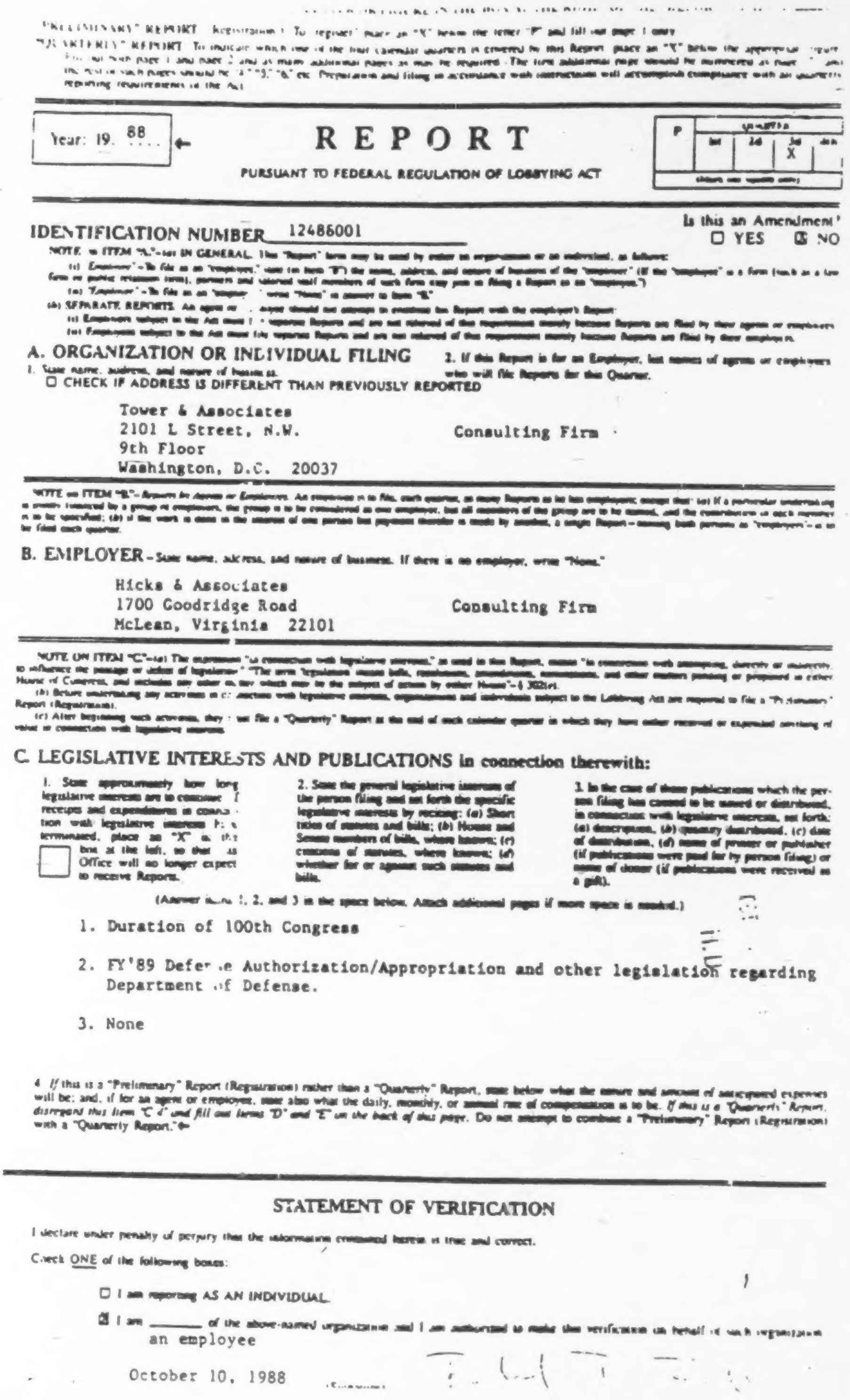
$4,150.00	TOTAL



[illegible]

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Year: 19 88 ←

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
			X	
(Mark one square only)				

IDENTIFICATION NUMBER 12486001

Is this an Amendment?
☐ YES ☒ NO

NOTE on ITEM "A."—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:
(i) "Employee"—To file as an "employee," state (in Item "B") the name, address, and nature of business of the "employer." (If the "employee" is a firm (such as a law firm or public relations firm), partners and salaried staff members of such firm may join in filing a Report as an "employee.")
(ii) "Employer"—To file as an "employer," write "None" in answer to Item "B."
(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:
(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.
(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING

1. State name, address, and nature of business.
☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

Tower & Associates
2101 L Street, N.W.
9th Floor
Washington, D.C. 20037

Consulting Firm

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE on ITEM "B."—Reports by Agents or Employees. An employee is to file, each quarter, as many Reports as he has employers; except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER—State name, address, and nature of business. If there is no employer, write "None."

Hicks & Associates
1700 Goodridge Road
McLean, Virginia 22101

Consulting Firm

NOTE ON ITEM "C."—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).
(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

1. Duration of 100th Congress

2. FY'89 Defense Authorization/Appropriation and other legislation regarding Department of Defense.

3. None

4. *If* this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C 4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

STATEMENT OF VERIFICATION

I declare under penalty of perjury that the information contained herein is true and correct.

Check ONE of the following boxes:

☐ I am reporting AS AN INDIVIDUAL.

☒ I am an employee of the above-named organization and I am authorized to make this verification on behalf of such organization.

October 10, 1988 (Signature)

NOTE on ITEM "D".—(a) IN GENERAL. The term "contribution" includes anything of value. When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—§ 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) In General. Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in connection with legislative interests.

(ii) Receipts of Business Firms and Individuals.—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) Receipts of Multi-purpose Organizations.—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been given for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) In general. In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) Employer as Contributor of $500 or More.—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contributions under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CC 'TRIBUTIONS AND LOANS)

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $ none Dues and assessments
2. $ none Gifts of money or any· ing of value
3. $ none Printed or duplicated matter received as a gift
4. $ none Receipts from sale of printed or duplicated matter
5. $ none Received for services (e.g., salary, fee, etc.)
6. $ none TOTAL for this Quarter (Add "1" through "5")
7. $ none Received during previous Quarters of calendar year
8. $ none TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . loan . . ."—§ 302(a).

9. $ none TOTAL now owed to others on account of loans
10. $ none Borrowed from others during this Quarter
11. $ none Repaid to others during this Quarter
12. $ none "Expense Money" and Reimbursements received this quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": no
14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor* ("Period" from Jan. 1 through ...., 19)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE on ITEM "E".—(a) IN GENERAL. "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—§ 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR E· ·LOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Expenditures (other than loans)

1. $ none Public relations and . ·ertising services
2. $ none Wages, salaries, fees, commissions (other than Item "1")
3. $ none Gifts or contributions made during Quarter
4. $ none Printed or duplicated matter, including distribution cost
5. $ none Office overhead (rent, supplies, utilities, etc.)
6. $ none Telephone and telegraph
7. $ none Travel, food, lodging, and entertainment
8. $ none All other expenditures
9. $ none TOTAL for this Quarter (Add "1" through "8")
10. $ none Expended during previous Quarters of calendar year
11. $ none TOTAL from Jan. 1 through this Quarter (Add

Loans Made to Others—"The term 'expenditure' includes a . . . loan . . ."—§ 302(b).

12. $ none TOTAL now owed to person filing
13. $ none Lent to others during this Quarter
14. $ none Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More* none

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following headings: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*	
$1,750.00	7-11:	Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15:	Britten & Blatten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL	

PLEASE RETURN 1 ORIGINAL TO THE CLERK OF THE HOUSE OF REPRESENTATIVES, OFFICE OF RECORDS AND REGISTRATION, 1036 LONGWORTH HOUSE OFFICE BUILDING, WASHINGTON, D.C. 20515

PLEASE RETURN 1 ORIGINAL TO THE SECRETARY OF THE SENATE, OFFICE OF PUBLIC RECORDS, 232 HART SENATE OFFICE BUILDING, WASHINGTON, D.C. 20510

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19.89... ←

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
				X
(Mark one square only)				

IDENTIFICATION NUMBER 12488001

Is this an Amendment?
☐ YES ☒ NO

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer," write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING

1. State name, address, and nature of business.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

Tower & Associates
2101 L Street, N.W. 9th Floor
Washington, D.C. 20037

Consulting Firm

NOTE on ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER

State name, address, and nature of business. If there is no employer, write "None."

Hick & Associates
1700 Goodridge Road
McLean, Virginia 22101

Consulting Firm

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☒

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed, in connection with legislative interests, set forth: (a) description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

1. Duration of 100th Congress

2. FY'89 Defense Authorization/Appropriation and other legislation regarding Department of Defense.

3. None

4. *If* this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be, and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C 4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.←

STATEMENT OF VERIFICATION

I declare under penalty of perjury that the information contained herein is true and correct.

Check ONE of the following boxes.

☐ I am reporting AS AN INDIVIDUAL.

☒ I am _______ of the above-named organization and I am authorized to make this verification on behalf of such organization.
an employee

Executed on January 10, 1989 (date)

(Signature)

(Typed) Richard Billmire

NOTE on ITEM "D".—(a) IN GENERAL. The term "contribution" includes anything of value. When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—§ 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) In General. Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in connection with legislative interests.

(ii) Receipts of Business Firms and Individuals.—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) Receipts of Multipurpose Organizations.—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) In General. In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) Employer as Contributor of $500 or More.—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS)

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $ NONE Dues and assessments
2. $ NONE Gifts of money or anything of value
3. $ NONE Printed or duplicated matter received as a gift
4. $ NONE Receipts from sale of printed or duplicated matter
5. $ NONE Received for services (e.g., salary, fee, etc.)
6. $ NONE TOTAL for this Quarter (Add "1" through "5")
7. $ NONE Received during previous Quarters of calendar year
8. $ NONE TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . loan . . ."—§ 302(a).

9. $ NONE TOTAL now owed to others on account of loans
10. $ NONE Borrowed from others during this Quarter
11. $ NONE Repaid to others during this Quarter
12. $ NONE "Expense Money" and Reimbursements received this quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": NO

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor* ("Period" from Jan. 1 through ...., 19....)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE on ITEM "E".—(a) IN GENERAL. "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—§ 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Expenditures (other than loans)

1. $ NONE Public relations and advertising services
2. $ NONE Wages, salaries, fees, commissions (other than Item "1")
3. $ NONE Gifts or contributions made during Quarter
4. $ NONE Printed or duplicated matter, including distribution cost
5. $ NONE Office overhead (rent, supplies, utilities, etc.)
6. $ NONE Telephone and telegraph
7. $ NONE Travel, food, lodging, and entertainment
8. $ NONE All other expenditures
9. $ NONE TOTAL for this Quarter (Add "1" through "8")
10. $ NONE Expended during previous Quarters of calendar year
11. $ NONE TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

Loans Made to Others—"The term 'expenditure' includes a . . . loan . . ."—§ 302(b).

12. $ NONE TOTAL now owed to person filing
13. $ NONE Lent to others during this Quarter
14. $ NONE Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More* NONE

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following headings: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blatten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

GPO 1967 O - 25 [illegible]

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as Page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19 88

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
X				

(Mark one square only)

IDENTIFICATION NUMBER 12488003

Is this an Amendment?
☐ YES ☒ NO

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee," state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee.")

(ii) "Employer".—To file as an "employer," write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING

1. State name, address, and nature of business.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

Tower & Associates
2101 L Street, N.W. 9th Floor
Washington, D.C. 20037

Consulting Firm

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE on ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER

—State name, address, and nature of business. If there is no employer, write "None."

Martin Marietta Corporation
6801 Rockledge Drive
Bethesda, Maryland 20817

Defense Contractor

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

1. Duration of 100th Congress
2. FY'89 Defense Authorization/Appropriation and other legislation regarding Department of Defense.
3. None

4. *If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report,* state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

Services anticipated to be in excess of $1,000.00. Expenditures anticipated to be in excess of $100.00

STATEMENT OF VERIFICATION

I declare under penalty of perjury that the information contained herein is true and correct.

Check ONE of the following boxes:

☐ I am reporting AS AN INDIVIDUAL.

XX I am an employee of the above-named organization and I am authorized to make this verification on behalf of such organization.

Executed on ______________ (date)

(Signature) Richard Billmire
(Typed) Richard Billmire

[illegible]

PLEASE RETURN 1 ORIGINAL TO THE SECRETARY OF THE SENATE, OFFICE OF PUBLIC RECORDS, [illegible] SENATE OFFICE BUILDING, WASHINGTON, D.C. [illegible]

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19.88..

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
	X			
(Mark one square only)				

IDENTIFICATION NUMBER 12A88003

Is this an Amendment?
☐ YES ☒ NO

NOTE on ITEM "A."—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows: [illegible]

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report: [illegible]

A. ORGANIZATION OR INDIVIDUAL FILING

1. State name, address, and nature of business.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

Tower & Associates
2101 L Street, N.W. 9th Fl.
Washington, D.C. 20037

Consulting Firm

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE on ITEM "B."—Reports by Agents or Employees. An employee is to file, each quarter, as many Reports as he has employers; [illegible]

B. EMPLOYER

State name, address, and nature of business. If there is no employer, write "None."

Martin Marietta Corporation
6801 Rockledge Drive
Bethesda, Maryland 20817

Defense Contractor

NOTE ON ITEM "C."—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." [illegible]

(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

1. Duration of 100th Congress

2. FY'89 Defense Authorization/Appropriations and other legislation regarding Department of Defense.

3. None

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

STATEMENT OF VERIFICATION

I declare under penalty of perjury that the information contained herein is true and correct.

Check ONE of the following boxes:

☐ I am reporting AS AN INDIVIDUAL.

☒ I am an employee of the above-named organization and I am authorized to make this verification on behalf of such organization.

H.D.
[illegible]

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) In General. Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In general.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contributions under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $ none Dues and assessments
2. $ none Gifts of money or anything of value
3. $ none Printed or duplicated matter received as a gift
4. $ none Receipts from sale of printed or duplicated matter
5. $ none Received for services (e.g., salary, fee, etc.)
6. $ none TOTAL for this Quarter (Add "1" through "5")
7. $ none Received during previous Quarters of calendar year
8. $ none TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . loan . . ."—§ 302(a)

9. $ none TOTAL now owed to others on account of loans
10. $ none Borrowed from others during this Quarter
11. $ none Repaid to others during this Quarter
12. $ none "Expense Money" and Reimbursements received this quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": no

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor* ("Period" from Jan. 1 through ...., 19....)
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1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE on ITEM "E".—(a) IN GENERAL. "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—§ 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Expenditures (other than loans)

1. $ none Public relations and advertising services
2. $ none Wages, salaries, fees, commissions (other than Item "1")
3. $ none Gifts or contributions made during Quarter
4. $ none Printed or duplicated matter, including distribution cost
5. $ none Office overhead (rent, supplies, utilities, etc.)
6. $ none Telephone and telegraph
7. $ none Travel, food, lodging, and entertainment
8. $ none All other expenditures
9. $ none TOTAL for this Quarter (Add "1" through "8")
10. $ none Expended during previous Quarters of calendar year
11. $ none TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

Loans Made to Others—"The term 'expenditure' includes a . . . loan . . ."—§ 302(b).

12. $ none TOTAL now owed to person filing
13. $ none Lent to others during this Quarter
14. $ none Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More* none

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following headings: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blatten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19 88

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
		X		
[illegible]				

IDENTIFICATION NUMBER 12488003

Is this an Amendment?
☐ YES ☑ NO

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee," state (in Item "B") the name, address, and nature of business of the "employer." (If the "employee" is a firm (such as a law firm or public relations firm), partners and salaried staff members of such firm may join in filing a Report as an "employee.")

(ii) "Employer".—To file as an "employer," write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING

1. State name, address, and nature of business.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

Tower & Associates
2101 L Street, N.W. 9th Floor
Washington, D.C. 20037

Consulting Firm

NOTE on ITEM "B".—Reports by Agents or Employees. An employee is to file, each quarter, as many Reports as he has employers; except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER—State name, address, and nature of business. If there is no employer, write "None."

Martin Marietta Corporation
6801 Rockledge Drive
Bethesda, Maryland 20817

Defense Contractor

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

1. Duration of 100th Congress

2. FY'89 Defense Authorization/Appropriations and other legislation regarding Department of Defense.

3. None

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C 4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly Report."

STATEMENT OF VERIFICATION

I declare under penalty of perjury that the information contained herein is true and correct.

Check ONE of the following boxes:

☐ I am reporting AS AN INDIVIDUAL.

☒ I am an employee of the above-named organization and I am authorized to make this verification on behalf of such organization.

[illegible]

or attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(ii) *Receipts of Multi-purpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In general.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contributions under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS)

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $ None Dues and assessments
2. $ None Gifts of money or anything of value
3. $ None Printed or duplicated matter received as a gift
4. $ None Receipts from sale of printed or duplicated matter
5. $ None Received for services (e.g., salary, fee, etc.)
6. $ None TOTAL for this Quarter (Add "1" through "5")
7. $ None Received during previous Quarters of calendar year
8. $ None TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . loan . . ."—§ 302(a).

9. $ None TOTAL now owed to others on account of loans
10. $ None Borrowed from others during this Quarter
11. $ None Repaid to others during this Quarter
12. $ None "Expense Money" and Reimbursements received this quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": No
14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor* ("Period" from Jan. 1 through ………………, 19….)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE on ITEM "E".—(a) IN GENERAL. "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—§ 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Expenditures (other than loans)

1. $ None Public relations and advertising services
2. $ None Wages, salaries, fees, commissions (other than Item "1")
3. $ None Gifts or contributions made during Quarter
4. $ None Printed or duplicated matter, including distribution cost
5. $ None Office overhead (rent, supplies, utilities, etc.)
6. $ None Telephone and telegraph
7. $ None Travel, food, lodging, and entertainment
8. $ None All other expenditures
9. $ None TOTAL for this Quarter (Add "1" through "8")
10. $ None Expended during previous Quarters of calendar year
11. $ None TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

Loans Made to Others—"The term 'expenditure' includes a . . . loan . . ."—§ 302(b).

12. $ None TOTAL now owed to person filing
13. $ None Lent to others during this Quarter
14. $ None Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More* None

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following headings: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulations in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blatten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

GPO [illegible]

[illegible]

Year 19 88 ←

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
			X	

IDENTIFICATION NUMBER 12468003

Is this an Amendment?
☐ YES ☒ NO

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows: [illegible]

(b) SEPARATE REPORTS. [illegible]

A. ORGANIZATION OR INDIVIDUAL FILING

1. State name, address, and nature of business:
☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

Tower & Associates
2101 L Street, N.W.
9th Floor
Washington, D.C. 20037

Consulting Firm

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE on ITEM "B".—[illegible]

B. EMPLOYER

State name, address, and nature of business. If there is no employer, write "None."

Martin Marietta
6801 Rockledge Drive
Bethesda, Maryland 20817

Defense Contractor

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." [illegible]

(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

1. Duration of 100th Congress

2. FY'89 Defense Authorization/Appropriation and other legislation regarding Department of Defense

3. None

4. *If this is a "Preliminary" Report (Registration)* rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be, and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C 4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

STATEMENT OF VERIFICATION

I declare under penalty of perjury that the information contained herein is true and correct.

Check ONE of the following boxes:

☐ I am reporting AS AN INDIVIDUAL.

☒ I am an employee of the above-named organization and I am authorized to make this verification on behalf of such organization.

[illegible] 1988

[illegible] includes a gift, subscription, loan, advance, or deposit of money, or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—§ 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) In General. Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in connection with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In general.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS)

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $ none Dues and assessments
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3. $ none Printed or duplicated matter received as a gift
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5. $ none Received for services (e.g., salary, fee, etc.)
6. $ none TOTAL for this Quarter (Add "1" through "5")
7. $ none Received during previous Quarters of calendar year
8. $ none TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . loan . . ."—§ 302(a).

9. $ none TOTAL now owed to others on account of loans
10. $ none Borrowed from others during this Quarter
11. $ none Repaid to others during this Quarter
12. $ none "Expense Money" and Reimbursements received this quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributions?
Please answer "yes" or "no": ......no...

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

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E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Expenditures (other than loans)

1. $ none Public relations and advertising services
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3. $ none Gifts or contributions made during Quarter
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8. $ none All other expenditures
9. $ none TOTAL for this Quarter (Add "1" through "8")
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Loans Made to Others—"The term 'expenditure' includes a . . . loan . . ."—§ 302(b).

12. $ none TOTAL now owed to person filing
13. $ none Lent to others during this Quarter
14. $ none Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More* none

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

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$2,400.00	7-15, 8-15, 9-15: Britten & Blatten, 3127 Govern Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

PLEASE RETURN 1 ORIGINAL TO THE CLERK OF THE HOUSE OF REPRESENTATIVES, OFFICE OF RECORDS AND REGISTRATION, [illegible] LONGWORTH HOUSE OFFICE BUILDING, WASHINGTON, D.C. [illegible]

PLEASE RETURN 1 ORIGINAL TO THE SECRETARY OF THE SENATE, OFFICE OF PUBLIC RECORDS, [illegible] HART SENATE OFFICE BUILDING, WASHINGTON, D.C. [illegible]

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

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Year: 19 89

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
				X

(Mark one square only)

IDENTIFICATION NUMBER 12488003

Is this an Amendment?
☐ YES ☒ NO

NOTE on ITEM "A."—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee"—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm (such as a law firm or public relations firm), partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer"—To file as an "employer", write "None" in answer to Item "B".

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A. ORGANIZATION OR INDIVIDUAL FILING

1. State name, address, and nature of business.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

Tower & Associates
2101 L Street, N.W.
9th Floor
Washington, D.C. 20037

Consulting Firm

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B. EMPLOYER—State name, address, and nature of business. If there is no employer, write "None."

Martin Marietta
6801 Rockledge Drive
Bethesda, Maryland

Defense Contractor

1989 JAN 17 AM 11:53
HAND DELIVERED
RECEIVED
SECRETARY OF THE SENATE

NOTE on ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

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(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☒

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed, in connection with legislative interests, set forth: (a) description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

1. Duration of 100th Congress

2. FY'89 Defense Authorization/Appropriation and other legislation regarding Department of Defense.

3. None

1989 JAN 17 AM 11:53
HAND DELIVERED
RECEIVED
SECRETARY OF THE SENATE

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C 4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

STATEMENT OF VERIFICATION

I declare under penalty of perjury that the information contained herein is true and correct.

Check ONE of the following boxes:

☐ I am reporting AS AN INDIVIDUAL.

☒ I am an employee of the above-named organization and I am authorized to make this verification on behalf of such organization.

1989 JAN 17 AM 11:53
RECEIVED
SECRETARY OF THE SENATE

Executed on January 10, 1989 (Date)

(Signature) Rich D. Billmire

(Typed) Richard D. Billmire

NOTE on ITEM "D".—(a) IN GENERAL. The term "contribution" includes anything of value. When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—§ 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) In General. Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in connection with legislative interests.

(ii) Receipts of Business Firms and Individuals.—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) Receipts of Multi-purpose Organizations.—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) In General. In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) Employer as Contributor of $500 or More.—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contributions under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS)

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $ NONE Dues and assessments

2. $ NONE Gifts of money or anything of value

3. $ NONE Printed or duplicated matter received as a gift

4. $ NONE Receipts from sale of printed or duplicated matter

5. $ NONE Received for services (e.g., salary, fee, etc.)

6. $ NONE TOTAL for this Quarter (Add "1" through "5")

7. $ NONE Received during previous Quarters of calendar year

8. $ NONE TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . loan . . ."—§ 302(a)

9. $ NONE TOTAL now owed to others on account of loans

10. $ NONE Borrowed from others during this Quarter

11. $ NONE Repaid to others during this Quarter

12. $ NONE "Expense Money" and Reimbursements received this quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributors? NO
Please answer "yes" or "no": ....

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor* ("*Period*" from Jan. 1 through ...., 19....)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE on ITEM "E".—(a) IN GENERAL. "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—§ 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Expenditures (other than loans)

1. $ NONE Public relations and advertising services

2. $ NONE Wages, salaries, fees, commissions (other than Item "1")

3. $ NONE Gifts or contributions made during Quarter

4. $ NONE Printed or duplicated matter, including distribution cost

5. $ NONE Office overhead (rent, supplies, utilities, etc.)

6. $ NONE Telephone and telegraph

7. $ NONE Travel, food, lodging, and entertainment

8. $ NONE All other expenditures

9. $ NONE TOTAL for this Quarter (Add "1" through "8")

10. $ NONE Expended during previous Quarters of calendar year

11. $ NONE TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

Loans Made to Others—"The term 'expenditure' includes a . . . loan . . ."—§ 302(b)

12. $ NONE TOTAL now owed to person filing

13. $ NONE Lent to others during this Quarter

14. $ NONE Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More* NONE

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following headings: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blatten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

[illegible]

"PRELIMINARY" REPORT ("Registration"): To register, place an "X" below the letter "P" and fill out page 1 only.
"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as Page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19 88

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER 1st	2d	3d	4th
X				

(Mark one square only)

IDENTIFICATION NUMBER 12488002

Is this an Amendment?
☐ YES ☒ NO

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:
(i) "Employee".—To file as an "employee," state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee.")
(ii) "Employer".—To file as an "employer," write "None" in answer to Item "B."
(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:
(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.
(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING

1. State name, address, and nature of business.
☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

Tower & Associates
2101 L Street, N.W. 9th Floor
Washington, D.C. 20037

Consulting Firm

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE on ITEM "B".—Reports by Agents or Employees. An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER—State name, address, and nature of business. If there is no employer, write "None."

LTV Defense & Space Company
1725 Jefferson Davis Highway Suite 900
Arlington, Virginia 22202

Defense Contactor

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).
(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

1. Duration of 100th Congress

2. FY'89 Defense Authorization/Appropriation and other legislation regarding Department of Defense

3. None

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be, and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this Item "C 4" and fill out Items "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

Services anticipated to be in excess of $1,000.00. Expenditures to be in excess of $100.00.

STATEMENT OF VERIFICATION

I declare under penalty of perjury that the information contained herein is true and correct.

Check ONE of the following boxes

☐ I am reporting AS AN INDIVIDUAL

☒ I am an employee of the above-named organization and I am authorized to make this verification on behalf of such organization

Executed on ______________ (date)

(Signature)
(Typed) Richard Billmire

[illegible] place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19.88...

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER 1st	2d	3d	4th
	X			

(Check one square only)

IDENTIFICATION NUMBER 12488002

Is this an Amendment?
☐ YES ☒ NO

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING

1. State name, address, and nature of business.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

Tower & Associates
2101 L Street, N.W. 9th Fl. Consulting Firm
Washington, D.C. 20037

NOTE on ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers; except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER—State name, address, and nature of business. If there is no employer, write "None."

LTV Defense & Space Company
1725 Jefferson Davis Highway Suite 900 Defense Contractor
Arlington, Virginia 22202

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

1. Duration of 100th Congress

2. FY'89 Defense Authorization/Appropriation and other legislation regarding Department of Defense.

3. None

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C 4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

APR 11 PM 2
H.D.

STATEMENT OF VERIFICATION

I declare under penalty of perjury that the information contained herein is true and correct.

Check ONE of the following boxes:

☐ I am reporting AS AN INDIVIDUAL.

☒ I am ______ of the above-named organization and I am authorized to make this verification on behalf of such organization.
an employee

Executed on APRIL 11, 1988 (date)

(Signature) Richard Billmire
(Typed) Richard Billmire

[illegible] duplicated matter, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—§ 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in connection with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

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(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In general.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contributions under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS)

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $ none Dues and assessments

2. $ none Gifts of money or anything of value

3. $ none Printed or duplicated matter received as a gift

4. $ none Receipts from sale of printed or duplicated matter

5. $ 420.00 Received for services (e.g., salary, fee, etc.)

6. $ 420.00 TOTAL for this Quarter (Add "1" through "5")

7. $ none Received during previous Quarters of calendar year

8. $ 420.00 TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . loan . . ."—§ 302(a)

9. $ none TOTAL now owed to others on account of loans

10. $ none Borrowed from others during this Quarter

11. $ none Repaid to others during this Quarter

12. $ none "Expense Money" and Reimbursements received this quarter.

Contributions of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributions?
Please answer "yes" or "no": ....no.....

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount *Name and Address of Contributor*
("Period" from Jan. 1 through .... 19....)
$1,500.00 John Doe, 1621 Blank Bldg., New York, N.Y.
1,785.00 The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00 TOTAL

NOTE on ITEM "E".—(a) IN GENERAL. "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—§ 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Expenditures (other than loans)

1. $ none Public relations and advertising services

2. $ none Wages, salaries, fees, commissions (other than Item "1")

3. $ none Gifts or contributions made during Quarter

4. $ none Printed or duplicated matter, including distribution cost

5. $ none Office overhead (rent, supplies, utilities, etc.)

6. $ none Telephone and telegraph

7. $ none Travel, food, lodging, and entertainment

8. $ none All other expenditures

9. $ none TOTAL for this Quarter (Add "1" through "8")

10. $ none Expended during previous Quarters of calendar year

11. $ none TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

Loans Made to Others—"The term 'expenditure' includes a . . . loan . . ."—§ 302(b).

12. $ none TOTAL now owed to person filing

13. $ none Lent to others during this Quarter

14. $ none Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More* none

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following headings: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulations in accordance with the following example:

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$4,150.00 TOTAL

PLEASE RETURN 1 ORIGINAL TO THE CLERK OF THE HOUSE OF REPRESENTATIVES, OFFICE OF RECORDS AND REGISTRATION, 1036 LONGWORTH HOUSE OFFICE BUILDING, WASHINGTON, D.C. 20515

PLEASE RETURN 1 ORIGINAL TO THE SECRETARY OF THE SENATE, OFFICE OF PUBLIC RECORDS, 232 HART SENATE OFFICE BUILDING, WASHINGTON, D.C. 20510

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19.89......

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
		X		

(Mark one square only)

IDENTIFICATION NUMBER 12488002

Is this an Amendment?
☒ YES ☐ NO

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

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(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING

1. State name, address, and nature of business.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

Tower & Associates
2101 L Street, N.W.
9th Floor
Washington, D.C. 20037

Consulting Firm

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE on ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers; except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

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LTV Defense & Space Company
1725 Jefferson Davis Highway, Suite 900
Arlington, Virginia 22202

Defense Contractor

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(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the ☐ box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed, in connection with legislative interests, set forth: (a) description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

1. Duration of 100th Congress

2. FY'89 Defense Authorization/Appropriation and other legislation regarding Department of Defense.

3. None

RECEIVED
17
...RY OF THE...

4. *If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C 4" and fill out items "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly Report."*

STATEMENT OF VERIFICATION

Subscribed and sworn to before me this 10th day of January. 1989

Susan A.
Notary Public
My Commission expires: 10/31/92

I declare under penalty of perjury that the information contained herein is true and correct.

Check ONE of the following boxes:

☐ I am reporting AS AN INDIVIDUAL.

☒ I am an employee of the above-named organization and I am authorized to make this verification on behalf of such organization.

Executed on January 10, 1989 (date)

(Signature)
(Typed) Richard D. Billmire

NOTE on ITEM "D".—(a) IN GENERAL. The term "contribution" includes anything of value. When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—§ 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in connection with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In general.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS)

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $ NONE Dues and assessments
2. $ NONE Gifts of money or anything of value
3. $ NONE Printed or duplicated matter received as a gift
4. $ NONE Receipts from sale of printed or duplicated matter
5. $ 420.00 Received for services (e.g., salary, fee, etc.)
6. $ 420.00 TOTAL for this Quarter (Add "1" through "5")
7. $ 0 Received during previous Quarters of calendar year
8. $ 420.00 TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . loan . . ."—§ 302(a).

9. $ NONE TOTAL now owed to others on account of loans
10. $ NONE Borrowed from others during this Quarter
11. $ NONE Repaid to others during this Quarter
12. $ NONE "Expense Money" and Reimbursements received this quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributors? Please answer "yes" or "no": NO
14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor* ("Period" from Jan. 1 through ...., 19...)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE on ITEM "E".—(a) IN GENERAL. "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—§ 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Expenditures (other than loans)

1. $ NONE Public relations and advertising services
2. $ NONE Wages, salaries, fees, commissions (other than Item "1")
3. $ NONE Gifts or contributions made during Quarter
4. $ NONE Printed or duplicated matter, including distribution cost
5. $ NONE Office overhead (rent, supplies, utilities, etc.)
6. $ NONE Telephone and telegraph
7. $ NONE Travel, food, lodging, and entertainment
8. $ NONE All other expenditures
9. $ NONE TOTAL for this Quarter (Add "1" through "8")
10. $ NONE Expended during previous Quarters of calendar year
11. $ NONE TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

Loans Made to Others—"The term 'expenditure' includes a . . . loan . . ."—§ 302(b).

12. $ NONE TOTAL now owed to person filing
13. $ NONE Lent to others during this Quarter
14. $ NONE Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More* NONE

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following headings: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blatten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

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JOHN G. TOWER

710 TURTLE CREEK CENTRE
3811 TURTLE CREEK BOULEVARD
DALLAS, TEXAS 75219
214/521 8887

2101 L STREET NW
TENTH FLOOR
WASHINGTON, D.C. 20037
202/775-4788

October 7, 1988

H.D.

The Secretary of the Senate
Office of Public Records
232 Hart Senate Office Building
Washington, D.C. 20510

To Whom It May Concern,

Enclosed are the October 10, 1988 quarterly Lobbying Act filings for Tower & Associates.

Please note that a corrected copy of the July 1988 report for LTV (amendment) has also been enclosed, as well as a preliminary filing for Textron, Inc..

Thank you.

Sincerely,

Richard Billmire

Richard Billmire

enclosure

FILE ONE COPY WITH THE SECRETARY OF THE SENATE, OFFICE OF PUBLIC RECORDS, 232 HART SENATE OFFICE BUILDING, WASHINGTON, D.C. 20510

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19 88 ←

REPORT

UANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
			X	
(Mark one square only)				

IDENTIFICATION NUMBER 12488002

Is this an Amendment?
☒ YES ■ NO

NOTE on ITEM "A."—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee," state (in Item "B") the name, address, and nature of business of the "employer." (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee.")

(ii) "Employer".—To file as an "employer," write "None" in answer to Item "B."

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING

1. State name, address, and nature of business.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

Tower & Associates
2101 L Street, N.W.
9th Floor
Washington, D.C. 20037

Consulting Firm

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE on ITEM "B."—Reports by Agents or Employees. An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER—State name, address, and nature of business. If there is no employer, write "None."

LTV Defense & Space Company
1725 Jefferson Davis Highway, Suite 900
Arlington, Virginia 22202

Defense Contractor

NOTE on ITEM "C."—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." The term "legislation" means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed, in connection with legislative interests, set forth: (*a*) description, (*b*) quantity distributed, (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

1. Duration of 100th Congress

2. FY'89 Defense Authorization/Appropriation and other legislation regarding Department of Defense

3. None

4. *If* this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C 4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

STATEMENT OF VERIFICATION

I declare under penalty of perjury that the information contained herein is true and correct.

Check ONE of the following boxes:

☐ I am reporting AS AN INDIVIDUAL.

☒ I am ______ of the above-named organization and I am authorized to make this verification on behalf of such organization.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in connection with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In general.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS)

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $ none Dues and assessments
2. $ none Gifts of money or anything of value
3. $ none Printed or duplicated matter received as a gift
4. $ none Receipts from sale of printed or duplicated matter
5. $ 420.00 Received for services (e.g., salary, fee, etc.)
6. $ 420.00 TOTAL for this Quarter (Add "1" through "5")
7. $ 420.00 Received during previous Quarters of calendar year
8. $ 420.00 TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . loan . . ."—§ 302(a).

9. $ none TOTAL now owed to others on account of loans
10. $ none Borrowed from others during this Quarter
11. $ none Repaid to others during this Quarter
12. $ none "Expense Money" and Reimbursements received this quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributors? Please answer "yes" or "no": no
14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor* ("Period" from Jan. 1 through ...., 19....)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE on ITEM "E".—(a) IN GENERAL. "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—§ 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Expenditures (other than loans)

1. $ none Public relations and advertising services
2. $ none Wages, salaries, fees, commissions (other than Item "1")
3. $ none Gifts or contributions made during Quarter
4. $ none Printed or duplicated matter, including distribution cost
5. $ none Office overhead (rent, supplies, utilities, etc.)
6. $ none Telephone and telegraph
7. $ none Travel, food, lodging, and entertainment
8. $ none All other expenditures
9. $ none TOTAL for this Quarter (Add "1" through "8")
10. $ none Expended during previous Quarters of calendar year
11. $ none TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

Loans Made to Others—"The term 'expenditure' includes a . . . loan . . ."—§ 302(b).

12. $ none TOTAL now owed to person filing
13. $ none Lent to others during this Quarter
14. $ none Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More* none

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blatten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

"PRELIMINARY" REPORT [illegible]

"QUARTERLY" REPORT. [illegible] place an "X" [illegible] reporting requirements of the Act.

Year: 19..88..

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER 1st	2d	3d	4th
		X		

Is this an Amendment?
☐ YES ☒ NO

IDENTIFICATION NUMBER 12488002

NOTE on ITEM "A."—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows: [illegible]

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report: [illegible]

A. ORGANIZATION OR INDIVIDUAL FILING

1. State name, address, and nature of business.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

Tower & Associates
2101 L Street, N.W. 9th Floor Consulting Firm
Washington, D.C. 20037

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE on ITEM "B."—[illegible]

B. EMPLOYER—State name, address, and nature of business. If there is no employer, write "None."

LTV Defense & Space Company
1725 Jefferson Davis Highway, Suite 900 Defense Contractor
Arlington, Virginia 22202

NOTE ON ITEM "C."—(a) [illegible]

(b) [illegible]

(c) [illegible]

C. LEGISLATIVE INTERESTS AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. [illegible] ☐ [illegible]

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (a) [illegible]

3. In the case of those publications which the person filing has caused to be issued or distributed, in connection with legislative interests, set forth: (a) description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

1. Duration of 100th Congress

2. FY'89 Defense Authorization/Appropriations and other legislation regarding Department of Defense.

3. None

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C 4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

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I declare under penalty of perjury that the information contained herein is true and correct.

Check ONE of the following boxes:

☐ I am reporting AS AN INDIVIDUAL.

☒ I am ______ of the above-named organization and I am authorized to make this verification on behalf of such organization.
an employee

Executed on July 8, 1988 (date)

(Signature)

(Typed) Richard Billmire

H.D. JUL 11 PM 3

(a) IF THIS REPORT IS FOR AN EMPLOYER.—(i) In General. Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in connection with legislative interests.

(ii) Receipts of Business Firms and Individuals.—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

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Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

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4. $ None Receipts from sale of printed or duplicated matter
5. $ None Received for services (e.g., salary, fee, etc.)
6. $ None TOTAL for this Quarter (Add "1" through "5")
7. $ None Received during previous Quarters of calendar year
8. $ None TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . loan . . ."—§ 302(a).

9. $ None TOTAL now owed to others on account of loans
10. $ None Borrowed from others during this Quarter
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12. $ None "Expense Money" and Reimbursements received this quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": ......no......

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

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E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

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1. $ None Public relations and advertising services
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3. $ None Gifts or contributions made during Quarter
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5. $ None Office overhead (rent, supplies, utilities, etc.)
6. $ None Telephone and telegraph
7. $ None Travel, food, lodging, and entertainment
8. $ None All other expenditures
9. $ None TOTAL for this Quarter (Add "1" through "8")
10. $ [illegible] Expended during previous Quarters of calendar year
11. $ [illegible] TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

Loans Made to Others—"The term 'expenditure' includes a . . . loan . . ."—§ 302(b).

12. $ None TOTAL now owed to person filing
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If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

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$4,150.00 TOTAL

PRELIMINARY REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.
QUARTERLY REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year 19 88 ←

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
			X	

(Mark one square only)

IDENTIFICATION NUMBER 12488002

Is this an Amendment?
☐ YES ☒ NO

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:
(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)
(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".
(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:
(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.
(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING

1. State name, address, and nature of business.
☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

Tower & Associates
2101 L Street, N.W.
9th Floor
Washington, D.C. 20037

Consulting Firm

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE on ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers; except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER—State name, address, and nature of business. If there is no employer, write "None."

LTV Defense & Space Company
1725 Jefferson Davis Highway, Suite 900
Arlington, Virginia 22202

Defense Contractor

NOTE on ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).
(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed, in connection with legislative interests, set forth: (*a*) description, (*b*) quantity distributed, (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

1. Duration of 100th Congress

2. FY'89 Defense Authorization/Appropriation and other legislation regarding Department of Defense

3. None

4. *If this is a "Preliminary" Report (Registration)* rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, *if for an agent or employee*, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

STATEMENT OF VERIFICATION

I declare under penalty of perjury that the information contained herein is true and correct.

Check ONE of the following boxes:

☐ I am reporting AS AN INDIVIDUAL.

☒ I am an employee of the above-named organization and I am authorized to make this verification on behalf of such organization.

Executed on October 10, 1988 (Signature)

[illegible]

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) In General. Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in connection with legislative interests.

(ii) Receipts of Business Firms and Individuals.—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) Receipts of Multipurpose Organizations.—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) In General. In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) Employer as Contributor of $500 or More.—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING C . NTRIBUTIONS AND LOANS)

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $ none Dues and assessments
2. $ none Gifts of money or anything of value
3. $ none Printed or duplicated matter received as a gift
4. $ none Receipts from sale of printed or duplicated matter
5. $ 420.00 Received for services (e.g., salary, fee, etc.)
6. $ 420.00 TOTAL for this Quarter (Add "1" through "5")
7. $ 420.00 Received during previous Quarters of calendar year
8. $ 420.00 TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . loan . . ."—§ 302(a).

9. $ none TOTAL now owed to others on account of loans
10. $ none Borrowed from others during this Quarter
11. $ none Repaid to others during this Quarter
12. $ none "Expense Money" and Reimbursements received this quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributors? no
Please answer "yes" or "no": . . . .

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor* ("Period" from Jan. 1 through ...., 19...)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE on ITEM "E".—(a) IN GENERAL. "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—§ 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Expenditures (other than loans)

1. $ none Public relations and advertising services
2. $ none Wages, salaries, fees, commissions (other than Item "1")
3. $ none Gifts or contributions made during Quarter
4. $ none Printed or duplicated matter, including distribution cost
5. $ none Office overhead (rent, supplies, utilities, etc.)
6. $ none Telephone and telegraph
7. $ none Travel, food, lodging, and entertainment
8. $ none All other expenditures
9. $ none TOTAL for this Quarter (Add "1" through "8")
10. $ none Expended during previous Quarters of calendar year
11. $ none TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

Loans Made to Others—"The term 'expenditure' includes a . . . loan . . ."—§ 302(b).

12. $ none TOTAL now owed to person filing
13. $ none Lent to others during this Quarter
14. $ none Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More* none

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following headings: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blatten, 3127 Grayson Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

PLEASE RETURN 1 ORIGINAL TO THE CLERK OF THE HOUSE OF REPRESENTATIVES, OFFICE OF RECORDS AND REGISTRATION, 1036 LONGWORTH HOUSE OFFICE BUILDING, WASHINGTON, D.C. 20515

PLEASE RETURN 1 ORIGINAL TO THE SECRETARY OF THE SENATE, OFFICE OF PUBLIC RECORDS, 232 HART SENATE OFFICE BUILDING, WASHINGTON, D.C. 20510

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19 89 ←

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
				X
(Mark one square only)				

IDENTIFICATION NUMBER 12488002

Is this an Amendment? ☐ YES ☒ NO

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm (such as a law firm or public relations firm), partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING

1. State name, address, and nature of business

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

Tower & Associates
2101 L Street, N.W.
9th Floor
Washington, D.C. 20037

Consulting Firm

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE on ITEM "B".—Reports by Agents or Employees. An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER

State name, address, and nature of business. If there is no employer, write "None."

LTV Defense & Space Company
1725 Jefferson Davis Highway, Suite 900
Arlington, Virginia 22202

Defense Contractor

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☒

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed, in connection with legislative interests, set forth: (a) description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

1. Duration of 100th Congress

2. FY'89 Defense Authorization/Appropriation and other legislation regarding Department of Defense.

3. None

4. *If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report,* state below what the nature and amount of anticipated expenses will be, and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C 4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.←

STATEMENT OF VERIFICATION

I declare under penalty of perjury that the information contained herein is true and correct.

Check ONE of the following boxes:

☐ I am reporting AS AN INDIVIDUAL

☒ I am ______ of the above named organization and I am authorized to make this verification on behalf of such organization.
an employee

Executed on January 10, 1989 (date)

(Signature)

(Typed) Richard D. Billmire

NOTE on ITEM "D".—(a) IN GENERAL. The term "contribution" includes anything of value. When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—§ 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in connection with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multi-purpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In general.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contributions under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS)

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $ NONE Dues and assessments
2. $ NONE Gifts of money or anything of value
3. $ NONE Printed or duplicated matter received as a gift
4. $ NONE Receipts from sale of printed or duplicated matter
5. $ 420.00 Received for services (e.g., salary, fee, etc.)
6. $ 420.00 TOTAL for this Quarter (Add "1" through "5")
7. $ 0 Received during previous Quarters of calendar year
8. $ 420.00 TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . loan . . ."—§ 302(a)

9. $ NONE TOTAL now owed to others on account of loans
10. $ NONE Borrowed from others during this Quarter
11. $ NONE Repaid to others during this Quarter

12. $ NONE "Expense Money" and Reimbursements received this quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": NO

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

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$3,285.00	TOTAL

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(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Expenditures (other than loans)

1. $ NONE Public relations and advertising services
2. $ NONE Wages, salaries, fees, commissions (other than Item "1")
3. $ NONE Gifts or contributions made during Quarter
4. $ NONE Printed or duplicated matter, including distribution cost
5. $ NONE Office overhead (rent, supplies, utilities, etc.)
6. $ NONE Telephone and telegraph
7. $ NONE Travel, food, lodging, and entertainment
8. $ NONE All other expenditures
9. $ NONE TOTAL for this Quarter (Add "1" through "8")
10. $ NONE Expended during previous Quarters of calendar year
11. $ NONE TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

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12. $ NONE TOTAL now owed to person filing
13. $ NONE Lent to others during this Quarter
14. $ NONE Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More* NONE

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following headings: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

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$4,150.00	TOTAL

GPO 1987 O - 75 [illegible]

[illegible]

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Year: 19 88 ←

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER 1st	2d	3d	4th
X				

Check one square only

IDENTIFICATION NUMBER 12 488 004

Is this an Amendment?
☐ YES ☒ NO

NOTE on ITEM "A."—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:
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A. ORGANIZATION OR INDIVIDUAL FILING

1. State name, address, and nature of business.
☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

Tower & Associates
2104 L Street, N.W. 9th Floor Consulting Firm
Washington, D.C. 20037

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE on ITEM "B."—Reports by Agents or Employees. An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER—State name, address, and nature of business. If there is no employer, write "None."

Rockwell International
2230 East Imperial Highway Defense Contractor
El Sequindo, California 90245

NOTE ON ITEM "C."—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).
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2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

1. Duration of 100th Congress

2. FY'89 Defense Authorization/Appropriation and other legislation regarding Department of Defense.

3. None

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C 4" and fill out items "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

Services anticipated to be in excess of $1,000.00. Expenditures to be in excess of $100.00.

STATEMENT OF VERIFICATION

I declare under penalty of perjury that the information contained herein is true and correct.

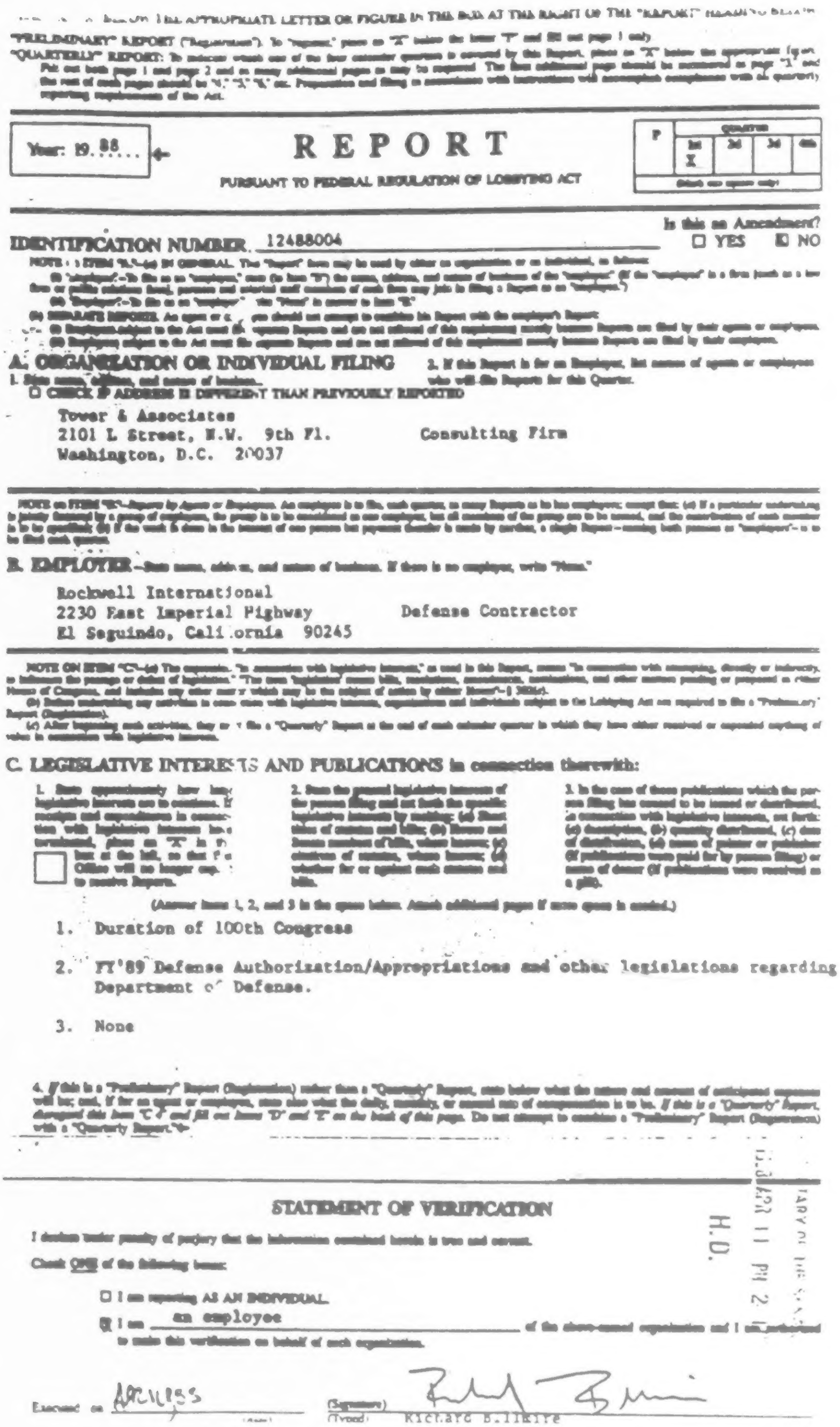
Check ONE of the following boxes:

☐ I am reporting AS AN INDIVIDUAL

☒ I am an employee of the above-named organization and I am authorized to make this verification on behalf of such organization

Executed on ____________ (date) (Signature) Richard B

(Typed) Richard Billmire



Year: 19 88

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
	X			

IDENTIFICATION NUMBER 12488004

Is this an Amendment? ☐ YES ☒ NO

A. ORGANIZATION OR INDIVIDUAL FILING

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

Tower & Associates
2101 L Street, N.W. 9th Fl.
Washington, D.C. 20037

Consulting Firm

B. EMPLOYER

Rockwell International
2230 East Imperial Highway
El Seguindo, California 90245

Defense Contractor

C. LEGISLATIVE INTERESTS AND PUBLICATIONS in connection therewith:

☐

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

1. Duration of 100th Congress
2. FY'89 Defense Authorization/Appropriations and other legislations regarding Department of Defense.
3. None

STATEMENT OF VERIFICATION

☐ I am reporting AS AN INDIVIDUAL.

☒ I am an employee

Executed on APR 11 1988

(Signature)

(Typed) Richard B. Ilmire

H.D.

APR 11 PM 2:

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) In General. Item "D" is designed for the reporting of [illegible] in connection with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures [illegible] in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business [illegible] in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multi-purpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) In general. In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contributions under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $ none Dues and assessments
2. $ none Gifts of money or anything of value
3. $ none Printed or duplicated matter received as a gift
4. $ none Receipts from sale of printed or duplicated matter
5. $ none Received for services (e.g., salary, fee, etc.)
6. $ none TOTAL for this Quarter (Add "1" through "5")
7. $ none Received during previous Quarters of calendar year
8. $ none TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . loan . . ."—§ 302(a)

9. $ none TOTAL now owed to others on account of loans
10. $ none Borrowed from others during this Quarter
11. $ none Repaid to others during this Quarter
12. $ none "Expense Money" and Reimbursements received this quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": no

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor* ("Period" from Jan. 1 through .... 19)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE on ITEM "E".—(a) IN GENERAL. "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—§ 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Expenditures (other than loans)

1. $ none Public relations and advertising services
2. $ none Wages, salaries, fees, commissions (other than Item "1")
3. $ none Gifts or contributions made during Quarter
4. $ none Printed or duplicated matter, including distribution cost
5. $ none Office overhead (rent, supplies, utilities, etc.)
6. $ none Telephone and telegraph
7. $ none Travel, food, lodging, and entertainment
8. $ none All other expenditures
9. $ none TOTAL for this Quarter (Add "1" through "8")
10. $ none Expended during previous Quarters of calendar year
11. $ none TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

Loans Made to Others—"The term 'expenditure' includes a . . . loan . . ."—§ 302(b).

12. $ none TOTAL now owed to person filing
13. $ none Lent to others during this Quarter
14. $ none Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More* none

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following headings: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blatten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19.88...

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
P	1st	2nd	3rd	4th
		X		

Is this an Amendment?
☐ YES ☒ NO

IDENTIFICATION NUMBER 12A88004

NOTE on ITEM "A."—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee"—To file as an "employee," state (in Item "B") the name, address, and nature of business of the "employer." (If the "employee" is a firm (such as a law firm or public relations firm), partners and salaried staff members of such firm may join in filing a Report as an "employee.")

(ii) "Employer"—To file as an "employer," write "None" in answer to Item "B."

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING

1. State name, address, and nature of business.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

Tower & Associates
2101 L Street, N.W. 9th Floor
Washington, D.C. 20037

Consulting Firm

NOTE on ITEM "B."—Reports by Agents or Employees. An employee is to file, each quarter, as many Reports as he has employers; except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER—State name, address, and nature of business. If there is no employer, write "None."

Rockwell International
2230 East Imperial Highway
El Segundo, California 90245

Defense Contractor

NOTE ON ITEM "C."—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed, in connection with legislative interests, set forth: (a) description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

1. Duration of 100th Congress.
2. FY'89 Defense Authorization/ Appropriations and other legislation regarding Department of Defense.
3. None

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C 4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

H.D.

STATEMENT OF VERIFICATION

I declare under penalty of perjury that the information contained herein is true and correct.

Check ONE of the following boxes:

☐ I am reporting AS AN INDIVIDUAL.

☒ I am an employee of the above-named organization and I am authorized to make this verification on behalf of such organization.

Executed on July 8, 1988 (Signature)

NOTE on ITEM "D".—(a) IN GENERAL. [illegible] —§ 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) In General. Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in connection with legislative interests.

(ii) Receipts of Business Firms and Individuals.—[illegible]

(iii) Receipts of Multi-purpose Organizations.—[illegible]

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) In general. [illegible]

(ii) Employer as Contributor of $500 or More.—[illegible]

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS)

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $ None — Dues and assessments
2. $ None — Gifts of money or anything of value
3. $ None — Printed or duplicated matter received as a gift
4. $ None — Receipts from sale of printed or duplicated matter
5. $ None — Received for services (e.g., salary, fee, etc.)
6. $ None — TOTAL for this Quarter (Add "1" through "5")
7. $ None — Received during previous Quarters of calendar year
8. $ None — TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . loan . . ."—§ 302(a).

9. $ None — TOTAL now owed to others on account of loans
10. $ None — Borrowed from others during this Quarter
11. $ None — Repaid to others during this Quarter

12. $ None — "Expense Money" and Reimbursements received this quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": No

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

[illegible]

Amount — *Name and Address of Contributor* ("Period" from Jan. 1 through ...., 19....)

$1,500.00 John Doe, 1621 Blank Bldg., New York, N.Y.
1,785.00 The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00 TOTAL

NOTE on ITEM "E".—(a) IN GENERAL. "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—§ 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. [illegible] (item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Expenditures (other than loans)

1. $ None — Public relations and advertising services
2. $ None — Wages, salaries, fees, commissions (other than item "1")
3. $ None — Gifts or contributions made during Quarter
4. $ None — Printed or duplicated matter, including distribution cost
5. $ None — Office overhead (rent, supplies, utilities, etc.)
6. $ None — Telephone and telegraph
7. $ None — Travel, food, lodging, and entertainment
8. $ None — All other expenditures
9. $ None — TOTAL for this Quarter (Add "1" through "8")

Loans Made to Others—"The term 'expenditure' includes a . . . loan . . ."—§ 302(b).

10. $ None — TOTAL now owed to person filing
11. $ None — Lent to others during this Quarter
12. $ None — Repayments received during this Quarter

13. *Recipients of Expenditures of $10 or More* None

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: [illegible]

Amount — *Date or Dates—Name and Address of Recipient—Purpose*

$1,750.00 7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."

[illegible] 6-15 Britten & Blatten, 3127 Gremlin Bldg.

[illegible]

Year 19 88 ←

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th

(Mark one square only)

Is this an Amendment?
☐ YES ☒ NO

IDENTIFICATION NUMBER 12488004

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

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(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING

1. State name, address, and nature of business.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

Tower & Associates
2101 L Street, N.W.
9th Floor
Washington, D.C. 20037

Consulting Firm

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE on ITEM "B".—Reports by Agents or Employees. An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER

State name, address, and nature of business. If there is no employer, write "None."

Rockwell International
2230 East Imperial Highway
El Seguindo California 90245

Defense Contractor

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

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3. In the case of those publications which the person filing has caused to be issued or distributed, in connection with legislative interests, set forth: (a) description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

1. Duration of 100th Congress

2. FY'89 Defense Authoriation/Approprimtion and other legislation regarding Department of Defense

3. None

4. *If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report,* state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this Item "C4" and fill out Items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◄

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an employee

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D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS)

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

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13. Have there been such contributors? Please answer "yes" or "no": No
14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

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E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Expenditures (other than loans)

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$4,150.00	TOTAL

PLEASE RETURN 1 ORIGINAL TO THE CLERK OF THE HOUSE OF REPRESENTATIVES, OFFICE OF RECORDS AND REGISTRATION, 1036 LONGWORTH HOUSE OFFICE BUILDING, WASHINGTON, D.C. 20515

PLEASE RETURN 1 ORIGINAL TO THE SECRETARY OF THE SENATE, OFFICE OF PUBLIC RECORDS, 232 HART SENATE OFFICE BUILDING, WASHINGTON, D.C. 20510

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19 89 ←

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
				X

(Mark one square only)

IDENTIFICATION NUMBER 12488004

Is this an Amendment?
☐ YES ☒ NO

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm (such as a law firm or public relations firm), partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING

1. State name, address, and nature of business

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

Tower & Associates
2101 L Street, N.W.
9th Floor
Washington, D.C. 20037

Consulting Firm

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE on ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers; except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER—State name, address, and nature of business. If there is no employer, write "None."

Pockwell International
2230 East Imperial Highway
El Seguindo, California

Defense Contractor

'89 JAN 17

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

☒

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed, in connection with legislative interests, set forth: (a) description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

1. Duration of 100th Congress

2. FY'89 Defense Authorization/Appropriation and other legislation regarding Department of Defense.

3. None

'89 JAN 17 PM 1:53

4. *If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report,* state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C 4" and fill out items "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.*

STATEMENT OF VERIFICATION

I declare under penalty of perjury that the information contained herein is true and correct.

Check ONE of the following boxes:

☐ I am reporting AS AN INDIVIDUAL.

☒ I am an employee of the above-named organization and I am authorized to make this verification on behalf of such organization.

H.D.

'89 JAN 17

Executed on January 10, 1989 (date)

(Signature) Richard D. Billmire

(Typed) Richard D. Billmire

NOTE on ITEM "D".—(a) IN GENERAL. The term "contribution" includes anything of value. When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—§ 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in connection with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS)

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $ NONE Dues and assessments
2. $ NONE Gifts of money or anything of value
3. $ NONE Printed or duplicated matter received as a gift
4. $ NONE Receipts from sale of printed or duplicated matter
5. $ NONE Received for services (e.g., salary, fee, etc.)
6. $ NONE TOTAL for this Quarter (Add "1" through "5")
7. $ NONE Received during previous Quarters of calendar year
8. $ NONE TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . loan . . ."—§ 302(a)

9. $ NONE TOTAL now owed to others on account of loans
10. $ NONE Borrowed from others during this Quarter
11. $ NONE Repaid to others during this Quarter

12. $ NONE "Expense Money" and Reimbursements received this quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributions?
Please answer "yes" or "no": NO

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor*
	("Period" from Jan. 1 through ...., 19....)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE on ITEM "E".—(a) IN GENERAL. "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—§ 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Expenditures (other than loans)

1. $ NONE Public relations and advertising services
2. $ NONE Wages, salaries, fees, commissions (other than Item "1")
3. $ NONE Gifts or contributions made during Quarter
4. $ NONE Printed or duplicated matter, including distribution cost
5. $ NONE Office overhead (rent, supplies, utilities, etc.)
6. $ NONE Telephone and telegraph
7. $ NONE Travel, food, lodging, and entertainment
8. $ NONE All other expenditures
9. $ NONE TOTAL for this Quarter (Add "1" through "8")
10. $ NONE Expended during previous Quarters of calendar year
11. $ NONE TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

Loans Made to Others—"The term 'expenditure' includes a . . . loan . . ."—§ 302(b)

12. $ NONE TOTAL now owed to person filing
13. $ NONE Lent to others during this Quarter
14. $ NONE Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More* NONE

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE."

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following headings: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

GPO [illegible]

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19 88 ←

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER 1st	2d	3d	4th
X				

(Mark one square only)

IDENTIFICATION NUMBER____________________

Is this an Amendment?
☐ YES ☒ NO

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state in Item "B" the name, address, and nature of business of the "employer". (If the "employee" is a firm (such as a law firm or public relations firm), partners and salaried members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING

1. State name, address, and nature of business.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

Tower & Associates
2101 L Street, N.W.
9th Floor
Washington, D.C. 20037

Consulting Firm

NOTE on ITEM "B".—Reports by Agents or Employees. An employee is to file, each quarter, as many Reports as he has employers; except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER

State name, address, and nature of business. If there is no employer, write "None."

Textron, Inc.
1090 Vermont Avenue, N.W. Suite 1100
Washington, D.C. 20005

Defense Contractor

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed, in connection with legislative interests, set forth: (a) description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

1. Duration of 100th Congress

2. FY'89 Defense Authorization/Appropriation and other legislation regarding

3. None

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C 4" and fill out items "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◄

Services anticipated to be in excess of $1,000.00. Expenditures anticipated to be in excess of $100.00.

STATEMENT OF VERIFICATION

I declare under penalty of perjury that the information contained herein is true and correct.

Check ONE of the following boxes:

☐ I am reporting AS AN INDIVIDUAL.

☒ I am ______ of the above-named organization and I am authorized to make this verification on behalf of such organization.
an employee

PLEASE RETURN 1 ORIGINAL TO THE CLERK OF THE HOUSE OF REPRESENTATIVES, OFFICE OF RECORDS AND REGISTRATION, 1036 LONGWORTH HOUSE OFFICE BUILDING, WASHINGTON, D.C. 20515

PLEASE RETURN 1 ORIGINAL TO THE SECRETARY OF THE SENATE, OFFICE OF PUBLIC RECORDS, 232 HART SENATE OFFICE BUILDING, WASHINGTON, D.C. 20510

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

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Year: 19 89 ←

R E P O R T

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
				X
(Mark one square only)				

IDENTIFICATION NUMBER 12488006

Is this an Amendment?
☐ YES ☒ NO

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee," state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm (such as a law firm or public relations firm), partners and salaried staff members of such firm may join in filing a Report as an "employee.")

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(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING

1. State name, address, and nature of business.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

Tower & Associates
2101 L Street, N.W.
9th Floor
Washington, D.C. 20037

Consulting Firm

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE on ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER—State name, address, and nature of business. If there is no employer, write "None."

Textron, Inc.
1090 Vermont Avenue, N.W. Suite 1100
Washington, D.C. 20005

Defense Contractor

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

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C. LEGISLATIVE INTERESTS AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the ☒ box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed, in connection with legislative interests, set forth: (a) description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

1. Duration of 100th Congress

2. FY'89 Defense Authorization/Appropriation and other legislation regarding Department of Defense.

3. None

4. *If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report,* state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C 4" and fill out items "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.*

STATEMENT OF VERIFICATION

I declare under penalty of perjury that the information contained herein is true and correct.

Check ONE of the following boxes:

☐ I am reporting AS AN INDIVIDUAL.

☒ I am an employee of the above-named organization and I am authorized to make this verification on behalf of such organization.

Executed on January 10, 1989 (date)

(Signature)

(Typed) Richard D. Billmire

~~PAGE 1~~

NOTE on ITEM "D".—(a) IN GENERAL. The term "contribution" includes anything of value. When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—§ 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in connection with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In general.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contributions under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS)

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $ NONE Dues and assessments
2. $ NONE Gifts of money or anything of value
3. $ NONE Printed or duplicated matter received as a gift
4. $ NONE Receipts from sale of printed or duplicated matter
5. $ NONE Received for services (e.g., salary, fee, etc.)
6. $ NONE TOTAL for this Quarter (Add "1" through "5")
7. $ NONE Received during previous Quarters of calendar year
8. $ NONE TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . loan . . ."—§ 302(a).

9. $ NONE TOTAL now owed to others on account of loans
10. $ NONE Borrowed from others during this Quarter
11. $ NONE Repaid to others during this Quarter
12. $ NONE "Expense Money" and Reimbursements received this quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributors? NO
Please answer "yes" or "no": ....

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30 or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor* ("Period" from Jan. 1 through ...., 19...)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE on ITEM "E".—(a) IN GENERAL. "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—§ 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Expenditures (other than loans)

1. $ NONE Public relations and advertising services
2. $ NONE Wages, salaries, fees, commissions (other than Item "1")
3. $ NONE Gifts or contributions made during Quarter
4. $ NONE Printed or duplicated matter, including distribution cost
5. $ NONE Office overhead (rent, supplies, utilities, etc.)
6. $ NONE Telephone and telegraph
7. $ NONE Travel, food, lodging, and entertainment
8. $ NONE All other expenditures
9. $ NONE TOTAL for this Quarter (Add "1" through "8")
10. $ NONE Expended during previous Quarters of calendar year
11. $ NONE TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

Loans Made to Others—"The term 'expenditure' includes a . . . loan . . ."—§ 302(b).

12. $ NONE TOTAL now owed to person filing
13. $ NONE Lent to others during this Quarter
14. $ NONE Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More* NONE

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following headings: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blatten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

GPO 1967 O - 78 [illegible]

[illegible] and as many additional pages as may be required. The first additional page should be numbered as Page "2," and the rest of such pages should be "3," "4," "5," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19 88

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
X	1st	2d	3d	4th
(Mark one square only)				

IDENTIFICATION NUMBER ____________________

Is this an Amendment?
☐ YES ☒ NO

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:
(i) "Employee".—To file as an "employee," state (in Item "B") the name, address, and nature of business of the "employer." (If the "employee" is a firm (such as a law firm or public relations firm), partners and salaried staff members of such firm may join in filing a Report as an "employee.")
(ii) "Employer".—To file as an "employer," write "None" in answer to Item "B."
(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:
(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.
(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING

1. State name, address, and nature of business.
☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

Tower & Associates
2101 L Street, N.W. 9th Fl.
Washington, D.C. 20037

Consulting Firm

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE on ITEM "B".—Reports by Agents or Employees. An employee is to file, each quarter, as many Reports as he has employers; except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER

—State name, address, and nature of business. If there is no employer, write "None."

Jeford - McNamara International, Inc.
513 Capitol Court, N.E.
Suite 300 Washington, D.C. 20002

Defense Contractor

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).
(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed, in connection with legislative interests, set forth: (a) description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

1. Duration of 100th Congress.

2. FY'89 Defense Authorization/Appropriations and other legislation regarding Department of Defense.

3. None

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this Item "C 4" and fill out Items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

Services anticipated to be in excess of $1,000.00. Expenditures to be in excess of $100.00.

STATEMENT OF VERIFICATION

I declare under penalty of perjury that the information contained herein is true and correct.

Check ONE of the following boxes:

☐ I am reporting AS AN INDIVIDUAL.

☐ I am an employee of the above-named organization and I am authorized to sign this verification on behalf of such organization.

Executed on April 19, 1988 (date)

(Signature) R B

(Typed) Richard Ellimire

[illegible] Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year 19 88 ←

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
		X		
(Mark one square only)				

Is this an Amendment?
☐ YES ☒ NO

IDENTIFICATION NUMBER 12488005

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING

1. State name, address, and nature of business.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

Tower & Associates
2101 L Street, N.W. 9th Floor
Washington, D.C. 20037

Consulting Firm

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE on ITEM "B".—Reports by Agents or Employees. An employee is to file, each quarter, as many Reports as he has employers; except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER—State name, address, and nature of business. If there is no employer, write "None."

Jeford - McManus International, Inc.
513 Capitol Court, N.E. Suite 300
Washington, D.C. 20002

Defense Contractor

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have [illegible], place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed, in connection with legislative interests, set forth: (a) description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

1. Duration of 100th Congress

2. FY'89 Authorization/Appropriations and other legislation regarding Department of Defense.

3. None

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this Item "C 4" and fill out Items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

STATEMENT OF VERIFICATION

I declare under penalty of perjury that the information contained herein is true and correct.

Check ONE of the following boxes:

☐ I am reporting AS AN INDIVIDUAL.

☒ I am an employee of the above-named organization and I am authorized to make this verification on behalf of such organization.

H.D.
JUL 11 PM

1988

to make a contribution"—§ 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in connection with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In general.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS)

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $ None Dues and assessments
2. $ None Gifts of money or anything of value
3. $ None Printed or duplicated matter received as a gift
4. $ None Receipts from sale of printed or duplicated matter
5. $ None Received for services (e.g., salary, fee, etc.)
6. $ None TOTAL for this Quarter (Add "1" through "5")
7. $ None Received during previous Quarters of calendar year
8. $ None TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . loan . . ."—§ 302(a).

9. $ None TOTAL now owed to others on account of loans
10. $ None Borrowed from others during this Quarter
11. $ None Repaid to others during this Quarter
12. $ None "Expense Money" and Reimbursements received this quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": No
14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor* ("Period" from Jan. 1 through ...., 19.....)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE on ITEM "E".—(a) IN GENERAL. "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—§ 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Expenditures (other than loans)

1. $ None Public relations and advertising services
2. $ None Wages, salaries, fees, commissions (other than Item "1")
3. $ None Gifts or contributions made during Quarter
4. $ None Printed or duplicated matter, including distribution cost
5. $ None Office overhead (rent, supplies, utilities, etc.)
6. $ None Telephone and telegraph
7. $ None Travel, food, lodging, and entertainment
8. $ None All other expenditures
9. $ None TOTAL for this Quarter (Add "1" through "8")
10. $ None Expended during previous Quarters of calendar year
11. $ None TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

Loans Made to Others—"The term 'expenditure' includes a . . . loan . . ."—§ 302(b).

12. $ None TOTAL now owed to person filing
13. $ None Lent to others during this Quarter
14. $ None Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More* None

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following headings: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blatten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

ITEM 7

JAN 22 '89 12:58 FROM H. KIRKENDALL PAGE 02

Mailed 1/13

JOHN G. TOWER

710 TURTLE CREEK CENTRE
3811 TURTLE CREEK BOULEVARD
DALLAS, TEXAS 75219
214/528-8887

2101 L STREET, N.W.
TENTH FLOOR
WASHINGTON, D.C. 20037
202/775-4789

9 January 1989

Mr. Willard F. Rockwell, Jr.
Chairman and CEO
Astrotech International, Inc.
Two Chatham Center, Suite 240
Pittsburgh, Pennsylvania 15219

Dear Al:

Please accept my resignation as a member of the Board of Directors of Astrotech International, effective 31 December 1988.

It has been a pleasure to work with you and your fine colleagues these past two and one-half years, and I wish you every success in your continuing endeavors.

With warmest personal regards, I remain

Sincerely yours,

John G. Tower

JAN 22 '89 12:59 FROM M. KIRKENDALL PAGE 03

JOHN G. TOWER

710 TURTLE CREEK CENTRE
3811 TURTLE CREEK BOULEVARD
DALLAS, TEXAS 75219
214/526-5587

2101 L STREET, N.W.
TENTH FLOOR
WASHINGTON, D.C. 20037
202/775-4780

16 December 1988

Sir Edward Anson, President
British Aerospace, Inc.
P. O. Box 17414
Washington, D. C. 20041-0414

Dear Ted:

I herewith tender my resignation from the Board of Directors of British Aerospace, Inc., and as a consultant to the company, effective 1 December 1988.

It has been a great pleasure to work with you and your fine colleagues these past two years. I have always admired not only the skill and vision and professionalism of the officers of BAe, but their impeccable integrity, as well.

With best personal regards, I am

Sincerely yours,

John

John G. Tower

xc: Sir Raymond Lygo
Mr. Syd Gillibrand

JOHN G. TOWER

710 TURTLE CREEK CENTRE
3811 TURTLE CREEK BOULEVARD
DALLAS, TEXAS 75219
214/969-0887

2101 L STREET, N.W.
TENTH FLOOR
WASHINGTON, D.C. 20037
202/778-4788

16 December 1988

Sir Edward Anson, President
British Aerospace, Inc.
P. O. Box 17414
Washington, D. C. 20041-0414

Dear Ted:

I herewith tender my resignation from the Board of Directors of British Aerospace, Inc., and as a consultant to the company, effective 1 December 1988.

It has been a great pleasure to work with you and your fine colleagues these past two years. I have always admired not only the skill and vision and professionalism of the officers of BAe, but their impeccable integrity, as well.

With best personal regards, I am

Sincerely yours,

John

John G. Tower

xc: Sir Raymond Lygo
Mr. Syd Gillibrand

JAN 22 '89 13:08 FROM M. KIRKENDALL PAGE 04

mailed 12/01/88

JOHN G. TOWER

710 TURTLE CREEK CENTRE
3811 TURTLE CREEK BOULEVARD
DALLAS, TEXAS 75219
214/[illegible]

[illegible] L STREET, NW
TENTH FLOOR
WASHINGTON, D.C. 20037
202/[illegible]

16 December 1988

Dr. Donald Hicks
Hicks & Associates, Inc.
Suite 1300
1710 Goodridge Drive
McLean VA 22102

Dear Don:

I herewith tender my resignation as a consultant for Hicks and Associates, Inc., effective 1 December 1988. A check for my fee for December and January, in the amount of $16,667, is enclosed herewith.

It has been a great pleasure to work with you, Dick Toner, and Charlie Gabriel.

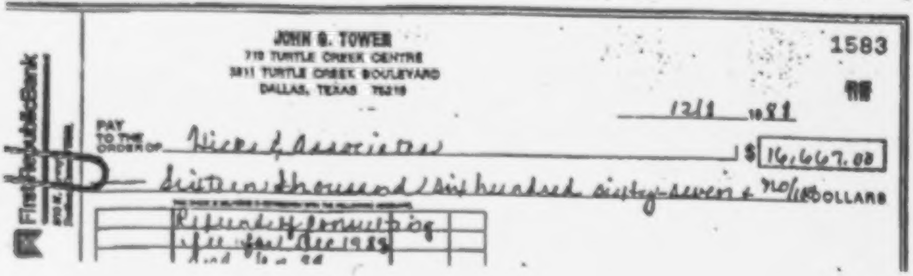
With best personal regards, I am

Sincerely yours,

John

John G. Tower

JGT:mk



First RepublicBank

JOHN G. TOWER
710 TURTLE CREEK CENTRE
3811 TURTLE CREEK BOULEVARD
DALLAS, TEXAS 75219

1583

12/1 19 88

PAY TO THE ORDER OF Hicks & Associates $ 16,667.00

Sixteen thousand / six hundred sixty-seven & no/100 DOLLARS

Refund of consulting fee for Dec 1988 and Jan 89

4

JOHN G. TOWER

710 TURTLE CREEK CENTRE
[illegible] TURTLE CREEK BOULEVARD
DALLAS, TEXAS [illegible]
214/[illegible]

[illegible] L STREET NW
TENTH FLOOR
WASHINGTON, D.C. [illegible]
202/[illegible]

16 December 1988

Mr. Dan Peterson, President
Martin Marietta Information Systems Group
6801 Rockledge Drive
Bethesda, MD 20817

Dear Dan:

I herewith tender my resignation as a consultant for Martin Marietta Information Systems Group, effective 1 December 1988.

It has been a great pleasure to work with you and your fine staff this past year.

With best regards, I am

Sincerely yours,

John

John G. Tower

JGT:mk

xc: Norman Augustine

JOHN G. TOWER

710 TURTLE CREEK CENTRE
3811 TURTLE CREEK BOULEVARD
DALLAS, TEXAS 75219
214/[illegible]

2101 L STREET, NW
TENTH FLOOR
WASHINGTON, D.C. 20
202/[illegible]

16 December 1988

mailed 12/21/88

Mr. Robert N. Parker, President
LTV Missiles and Electronics Group
P. O. Box 650003 - Mail Stop OPT-49
Dallas, Texas 75265-0003

Dear Bob:

I herewith tender my resignation as a consultant for LTV Aerospace and Defense, Inc., effective 1 December 1988.

It has been a great pleasure to work with you and your fine colleagues these past two and one-half years.

With best regards, I am

Sincerely yours,

John

John G. Tower

JOHN G. TOWER

710 TURTLE CREEK CENTRE
3811 TURTLE CREEK BOULEVARD
DALLAS, TEXAS 75219
214/[illegible]

2101 L STREET, NW
TENTH FLOOR
WASHINGTON, D.C. 20037
202/[illegible]

9 January 1989

Mr. Robert Maxwell, Chairman
Maxwell Communications Corp.
P. O. Box 283
London EC1N 2NE
ENGLAND

Dear Bob:

Pursuant to our telephone conversation on Wednesday of last week, I hereby tender my resignation as a consultant to Maxwell Communications Corporation, and as Chairman of the Boards of the Armed Forces Journal, and of Pergamon-Brassey's International Defense Publishers, effective 20 January 1989.

It has been a privilege and pleasure to have worked with you and your many fine associates these past two and one-half years.

With best regards, I am

Sincerely yours,

John

John G. Tower

xc: Dr. Frank Margiotta
Mr. Ben Schemmer

JOHN G. TOWER

710 TURTLE CREEK CENTRE
3811 TURTLE CREEK BOULEVARD
DALLAS, TEXAS 75219
214/[illegible]

2101 L STREET, N.W.
TENTH FLOOR
WASHINGTON, D.C. 20037
202/[illegible]

16 December 1988

Mr. Donald R. Beall
Chairman and Chief Executive Officer
Rockwell International, Inc.
2230 East Imperial Highway
El Segundo, California 90245

Dear Don:

I herewith tender my resignation as a consultant for Rockwell International, Inc., effective 1 December 1988.

It has been a great pleasure to work with you and your fine staff these past two and one-half years.

With best regards, I am

Sincerely yours,

John

John G. Tower

xc: Mr. James A. McDivitt

JOHN G. TOWER

710 TURTLE CREEK CENTRE
3811 TURTLE CREEK BOULEVARD
DALLAS, TEXAS 75219
214/526-8887

2101 L STREET, N.W.
TENTH FLOOR
WASHINGTON, D.C. 20037
202/775-4769

16 December 1988

Ms. Mary Howell
Vice President, Government Affairs
Textron, Inc.
1090 Vermont Avenue, N.W.
Suite 1100
Washington, D. C. 20005

Dear Mary:

I herewith tender my resignation as a consultant for Textron, Inc., effective 1 December 1988.

It has been a great pleasure to work with you these past few months.

With best regards, I am

Sincerely yours,

John

John G. Tower

JGT:mk

ITEM 8

TOWER SENATE CLUB

[illegible]
AUSTIN, TEXAS [illegible]

[illegible] OF THE
[illegible] -2 [illegible]

July 29, 1985

Honorable William Hildenbrand
Secretary of the U.S. Senate
Public Records Office
119 D Street, N.E.
Washington, D.C. 20510

Dear Mr. Hildenbrand:

Enclosed is the report for the Tower Senate Club covering the period from January 1, 1985 through June 30, 1985.

Sincerely,

Hub Bechtol

Hub Bechtol
Treasurer

HB mlw

enclosure

[illegible] Tower Senate Club [illegible] Federal Election Commission, Washington [illegible]

REPORTS OF RECEIPTS AND DISBURSEMENTS
For Authorized Committee

1. (a) Name of Committee (in full)

Tower Senate Club

(b) Address (Number and Street)

P.O. Box 794

(c) City, State and ZIP Code

Austin, Texas 78767

☐ Check if address is different than previously reported.

2. FEC Identification Number: C-1224

3. Is this Report an Amendment? ☐ YES ☒ NO

TYPE OF REPORT

☐ April 15 Quarterly Report

☐ July 15 Quarterly Report

☐ October 15 Quarterly Report

☐ January 31 Year End Report

☒ July 31 Mid Year Report (Non-election Year Only)

☐ Twelfth day report preceding _____ (Type of Election) election on _____ in the State of _____

☐ Thirtieth day report following the General Election on _____ in the State of _____

☐ Termination Report

This report contains activity for — ☐ Primary Election ☐ General Election ☐ Special Election ☐ Runoff Election

SUMMARY	COLUMN A This Period	COLUMN B Calendar Year-to-Date
5. Covering Period January 1 through June 30, 1985		
6. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (From Line 11 (e))	-0-	-0-
(b) Total Contribution Refunds (from Line 20 (d))	-0-	-0-
(c) Net Contributions (other than loans) (subtract Line 6 (b) from 6 (a))	-0-	-0-
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	100061.29	100061.29
(b) Total Offsets to Operating Expenditures (from Line 14)	2365.73	2365.73
(c) Net Operating Expenditures (Subtract Line 7 (b) from 7 (a))	97695.56	97695.56
8. Cash on Hand at Close of Reporting Period (from Line 27)	269787.62	
9. Debts and Obligations Owed TO The Committee (Itemize all on Schedule C or Schedule D)	-0-	
10. Debts and Obligations Owed BY The Committee (Itemize all on Schedule C or Schedule D)	-0-	

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

[illegible]
Type or Print Name of Treasurer

SIGNATURE OF TREASURER

7-30-85
Date

For further information, contact:
Federal Election Commission
Toll Free 800-424-9530
Local 202-523-4068

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

All previous versions of FEC FORM 3 and FEC FORM 3a are obsolete and should no longer be used.

FEC FORM 3 (3/80)

DETAILED SUMMARY PAGE
of Receipts and Disbursements
(Page 2, FEC FORM 3)

Name of Committee (in Full): Tower Senate Club

Report Covering the Period: From Jan. 31 To June 31, 1985

	COLUMN A Total This Period	COLUMN B Calendar Year-to-Date	
I. RECEIPTS			
11 CONTRIBUTIONS (other than loans) FROM:			
(a) Individuals/Persons Other Than Political Committees (Memo Entry Unitemized $ ____)	-0-	-0-	11 (a)
(b) Political Party Committees	-0-	-0-	11 (b)
(c) Other Political Committees	-0-	-0-	11 (c)
(d) The Candidate	-0-	-0-	11 (d)
(e) TOTAL CONTRIBUTIONS (other than loans) (add 11(a), 11(b), 11(c) and 11(d))	-0-	-0-	11 (e)
12 TRANSFERS FROM OTHER AUTHORIZED COMMITTEES	-0-	-0-	12
13 LOANS			
(a) Made or Guaranteed by the Candidate	-0-	-0-	13 (a)
(b) All Other Loans	-0-	-0-	13 (b)
(c) TOTAL LOANS (add 13 (a) and 13 (b))	-0-	-0-	13 (c)
14 OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)	2365.73	2365.73	14
15 OTHER RECEIPTS (Dividends, Interest, etc.)	29324.27	29324.27	15
16 TOTAL RECEIPTS (add 11 (e), 12, 13 (c), 14 and 15)	31690.00	31690.50	16
II. DISBURSEMENTS			
17 OPERATING EXPENDITURES	100061.29	100061.29	17
18 TRANSFERS TO OTHER AUTHORIZED COMMITTEES	-0-	-0-	18
19 LOAN REPAYMENTS:			
(a) Of Loans Made or Guaranteed by the Candidate	-0-	-0-	19 (a)
(b) Of All Other Loans	-0-	-0-	19 (b)
(c) TOTAL LOAN REPAYMENTS (add 19 (a) and 19 (b))	-0-	-0-	19 (c)
20. REFUNDS OF CONTRIBUTIONS TO:			
(a) Individuals/Persons Other Than Political Committees	-0-	-0-	20 (a)
(b) Political Party Committees	-0-	-0-	20 (b)
(c) Other Political Committees	-0-	-0-	20 (c)
(d) TOTAL CONTRIBUTION REFUNDS (add 20 (a), 20 (b), and 20 (c))	-0-	-0-	20 (d)
21 OTHER DISBURSEMENTS	127700.00	127700.00	21
22 TOTAL DISBURSEMENTS (add 17, 18, 19 (c), 20 (d) and 21)	227761.29	227761.29	22

III. CASH SUMMARY

23 CASH ON HAND AT BEGINNING OF REPORTING PERIOD	$	465858.91	23
24 TOTAL RECEIPTS THIS PERIOD (From Line 16)	$	31690.00	24
25 SUBTOTAL (Add Line 23 and Line 24)	$	497548.91	25
26 TOTAL DISBURSEMENTS THIS PERIOD (From Line 22)	$	227761.29	26
27 CASH ON HAND AT CLOSE OF THE REPORTING PERIOD (Subtract Line 26 from 25)	$	269787.62	27

SCHEDULE A

ITEMIZED RECEIPTS

LINE NUMBER ____
(Use separate schedule(s) for each category of the Detailed Summary Page)

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Name of Committee (in Full)
Lower Senate Club

A. Full Name, Mailing Address and ZIP Code
AT&T
1 Crossroads of Commerce
Rolling Meadows, Ill. 60008

Name of Employer: refund due to overpayment
Occupation:
Date (month, day, year): 5-8-85
Amount of Each Receipt this Period: 48.63
Receipt For: ☐ Primary ☐ General ☐ Other (specify):
Aggregate Year-to-Date—$ 48.63

B. Full Name, Mailing Address and ZIP Code
Internal Revenue Service
Austin, Texas

Name of Employer: overpayment of unemployment taxes
Occupation:
Date (month, day, year): 4-24-85
Amount of Each Receipt This Period: 448.41
Receipt For: ☐ Primary ☐ General ☐ Other (specify):
Aggregate Year-to-Date—$ 448.41

C. Full Name, Mailing Address and ZIP Code
United States Post Office
300 East 9th
Austin, Texas 78767

Name of Employer: refund on postage returned
Occupation:
Date (month, day, year): 6-6-85
Amount of Each Receipt This Period: 508.27
Receipt For: ☐ Primary ☐ General ☐ Other (specify):
Aggregate Year-to-Date—$ 508.27

D. Full Name, Mailing Address and ZIP Code
Victory '84
P.O. Box 855
Austin, Texas 78767

Name of Employer: refund & rebate
Occupation:
Date (month, day, year): 3-28-85
Amount of Each Receipt This Period: 1360.42
Receipt For: ☐ Primary ☐ General ☐ Other (specify):
Aggregate Year-to-Date—$ 1360.42

E. Full Name, Mailing Address and ZIP Code

Name of Employer:
Occupation:
Date (month, day, year):
Amount of Each Receipt This Period:
Receipt For: ☐ Primary ☐ General ☐ Other (specify):
Aggregate Year-to-Date—$

F. Full Name, Mailing Address and ZIP Code

Name of Employer:
Occupation:
Date (month, day, year):
Amount of Each Receipt This Period:
Receipt For: ☐ Primary ☐ General ☐ Other (specify):
Aggregate Year-to-Date—$

G. Full Name, Mailing Address and ZIP Code

Name of Employer:
Occupation:
Date (month, day, year):
Amount of Each Receipt This Period:
Receipt For: ☐ Primary ☐ General ☐ Other (specify):
Aggregate Year-to-Date—$

SUBTOTAL of Receipts This Page (optional) 2365.73

TOTAL This Period (last page this line number only) ....

SCHEDULE A

ITEMIZED RECEIPTS

LINE NUMBER 15
(Use separate schedule(s) for each category of the Detailed Summary Page)

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Name of Committee (in Full)
Tower Senate Club

A. Full Name, Mailing Address and ZIP Code Interfirst Bank P.O.Box 908 Austin, Texas 78781	Name of Employer money market interest	Date (month, day, year) 1-31-85 2-28-85	Amount of Each Receipt this Period 59.48 52.77
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Occupation Aggregate Year-to-Date—$ 112.25		
B. Full Name, Mailing Address and ZIP Code Rotan Mosle 700 Lavaca, Suite 800 Austin, Texas 78701	Name of Employer dividends on cash fund	Date (month, day, year) 1-25-85 2-22-85 3-29-85	Amount of Each Receipt This Period 567.39 2090.37 2363.95
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Occupation Aggregate Year-to-Date—$		
C. Full Name, Mailing Address and ZIP Code Rotan Mosle cont.	Name of Employer same as above	Date (month, day, year) 4-26-85 5-31-85 6-28-85	Amount of Each Receipt This Period 1698.32 2052.98 1557.43
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Occupation Aggregate Year-to-Date—$ 10330.44		
D. Full Name, Mailing Address and ZIP Code Texas Commerce Bank P.O. Box 550 Austin, Texas 78789	Name of Employer money market interest	Date (month, day, year) 1-31-85 2-28-85 3-31-85	Amount of Each Receipt This Period 630.24 239.33 123.80
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Occupation Aggregate Year-to-Date—$		
E. Full Name, Mailing Address and ZIP Code Texas Commerce Bank cont.	Name of Employer same as above	Date (month, day, year) 4-30-85	Amount of Each Receipt This Period 78.36
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Occupation Aggregate Year-to-Date—$ 1071.73		
F. Full Name, Mailing Address and ZIP Code Rotan Mosle 700 Lavaca Suite 800 Austin, Texas 78701	Name of Employer interest on Treasury bill	Date (month, day, year) 1-17-85	Amount of Each Receipt This Period 12027.50
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Occupation Aggregate Year-to-Date—$ 12027.50		
G. Full Name, Mailing Address and ZIP Code Rotan Mosle 700 Lavaca, Suite 800 Austin, Texas 78701	Name of Employer C.D.	Date (month, day, year) 1-9-85	Amount of Each Receipt This Period 5782.35
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Occupation Aggregate Year-to-Date—$ 5782.35		
SUBTOTAL of Receipts This Page (optional)			29324.27
TOTAL This Period (last page this line number only)			

SCHEDULE B

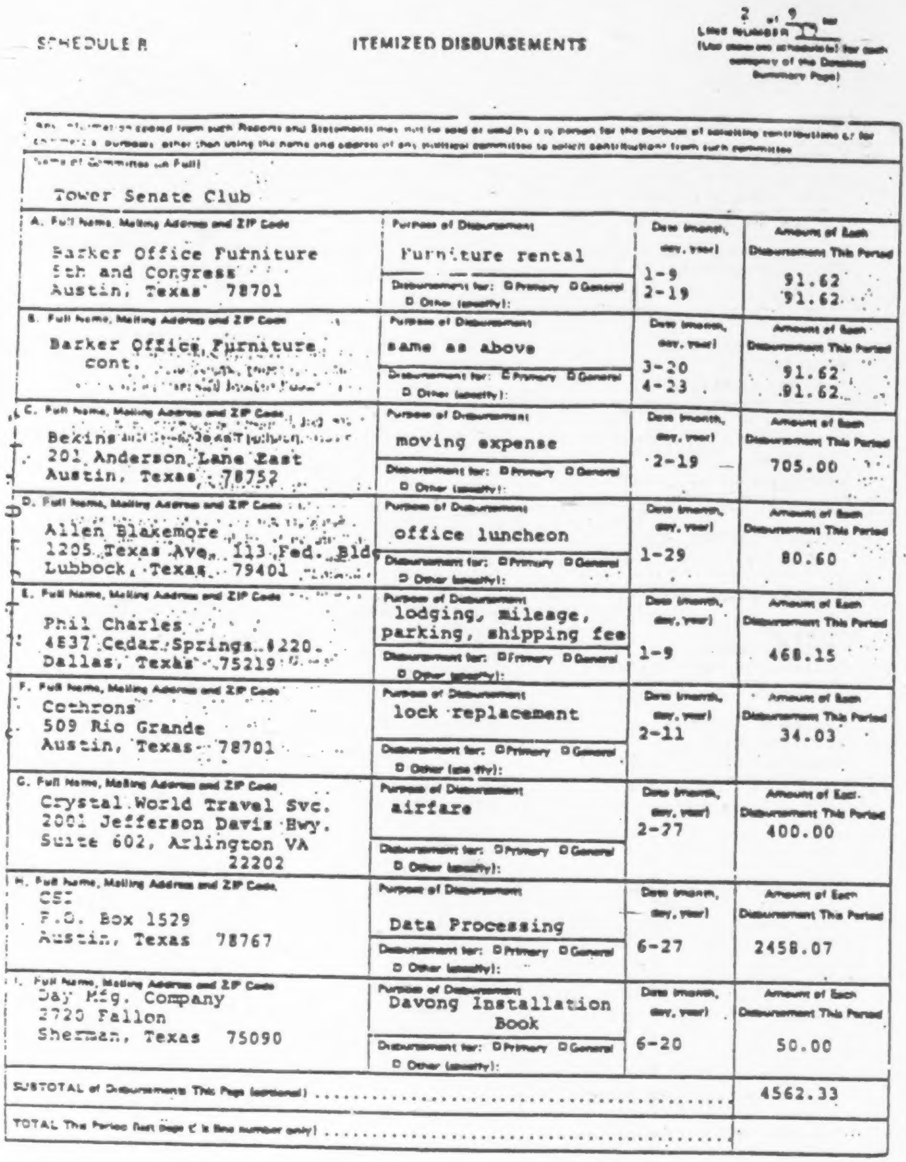
ITEMIZED DISBURSEMENTS

LINE NUMBER 17
(Use separate schedule(s) for each category of the Detailed Summary Page)

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (in Full)
Tower Senate Club

Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
A. AT&T Information Systems P.O. Box 27-850 Kansas, City Mo. 64180	Phone Equipment Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	2-5 2-19	48.63 24.31
B. Abel Stationers P.O. Box 10 Austin, Texas 78767	Office Supplies Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	3-6	45.51
C. L. Allan Adams 512 B 6th Street S.E. Washington, DC 20003	Contract Labor Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	2-6 2-19	224.00 608.00
D. L. Allan Adams Cont.	Same as above Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	3-4	680.00
E. Adolphus Hotel 1321 Commerce St. Dallas, Texas 75202	meeting room, lodging Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-9 2-19	57.62 145.30
F. Allright Parking 310 East 11th Austin, Texas 78701	Parking Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-7 2-5 3-6	126.15 68.33 68.33
G. Allright Parking cont.	Parking Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	4-8 5-1	68.33 68.33
H. American Airlines P.O. Box 70536-Dept. 240132 Chicago, Ill. 60673	Airfare Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-9 1-18 2-19	1891.00 90.00 976.00
American Airlines cont.	Airfare Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	2-27	180.00
SUBTOTAL of Disbursements This Page (optional)			5369.84
TOTAL This Period (last page this line number only)			



SCHEDULE B

ITEMIZED DISBURSEMENTS

2 of 9 for
LINE NUMBER 17
(Use separate schedule(s) for each category of the Detailed Summary Page)

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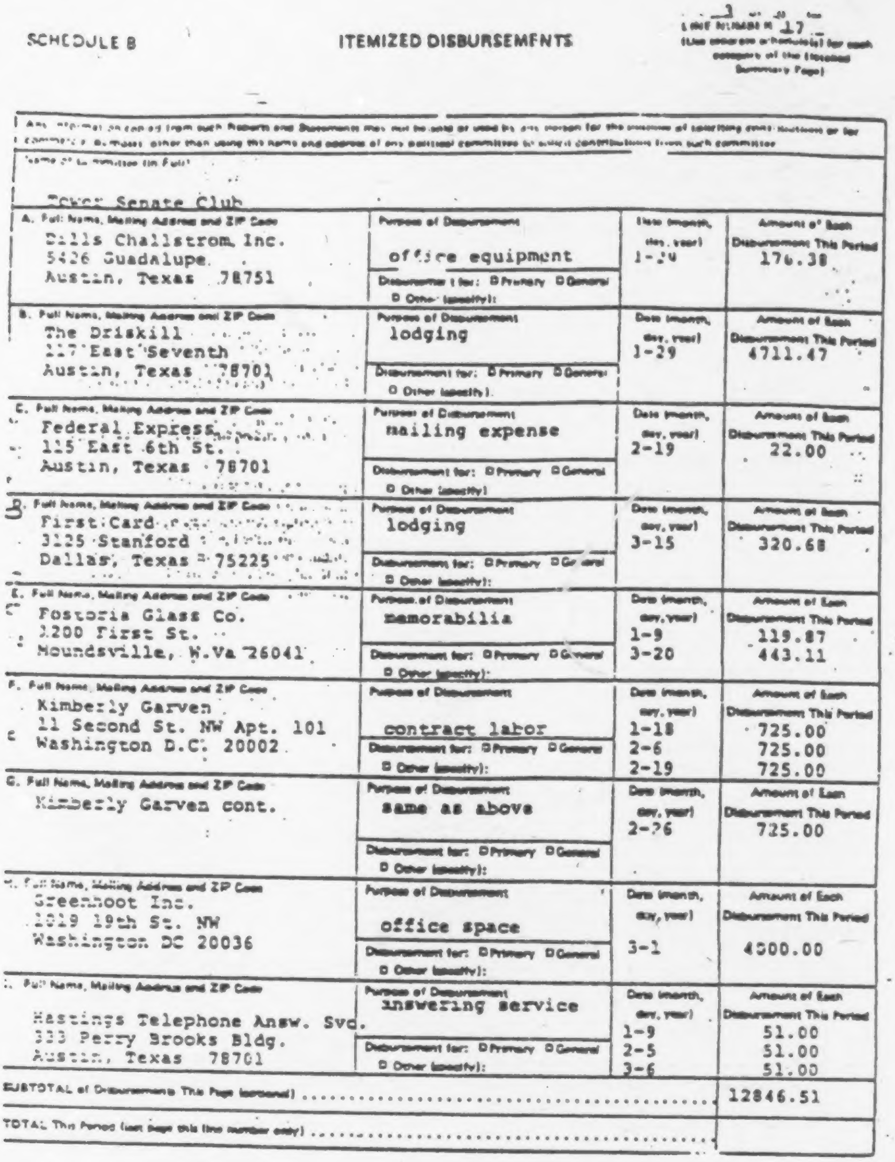
Name of Committee (in Full)

Tower Senate Club

Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
A. Barker Office Furniture 5th and Congress Austin, Texas 78701	Furniture rental Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-9 2-19	91.62 91.62
B. Barker Office Furniture cont.	same as above Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	3-20 4-23	91.62 91.62
C. Bekins 201 Anderson Lane East Austin, Texas 78752	moving expense Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	2-19	705.00
D. Allen Blakemore 1205 Texas Ave., 113 Fed. Bldg Lubbock, Texas 79401	office luncheon Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-29	80.60
E. Phil Charles 4837 Cedar Springs #220 Dallas, Texas 75219	lodging, mileage, parking, shipping fee Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-9	468.15
F. Cothrons 509 Rio Grande Austin, Texas 78701	lock replacement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	2-11	34.03
G. Crystal World Travel Svc. 2001 Jefferson Davis Hwy. Suite 602, Arlington VA 22202	airfare Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	2-27	400.00
H. CSI P.O. Box 1529 Austin, Texas 78767	Data Processing Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	6-27	2458.07
I. Day Mfg. Company 2720 Fallon Sherman, Texas 75090	Davong Installation Book Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	6-20	50.00
SUBTOTAL of Disbursements This Page (optional)			4562.33
TOTAL This Period (last page this line number only)			



SCHEDULE B

ITEMIZED DISBURSEMENTS

Page 3 of 10 for LINE NUMBER 17
(Use separate schedule(s) for each category of the Detailed Summary Page)

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Name of Committee (in Full)

Tower Senate Club

A. Full Name, Mailing Address and ZIP Code Dills Challstrom Inc. 5426 Guadalupe Austin, Texas 78751	Purpose of Disbursement office equipment Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 1-24	Amount of Each Disbursement This Period 176.38
B. Full Name, Mailing Address and ZIP Code The Driskill 117 East Seventh Austin, Texas 78701	Purpose of Disbursement lodging Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 1-29	Amount of Each Disbursement This Period 4711.47
C. Full Name, Mailing Address and ZIP Code Federal Express 115 East 6th St. Austin, Texas 78701	Purpose of Disbursement mailing expense Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 2-19	Amount of Each Disbursement This Period 22.00
D. Full Name, Mailing Address and ZIP Code First Card 3125 Stanford Dallas, Texas 75225	Purpose of Disbursement lodging Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 3-15	Amount of Each Disbursement This Period 320.68
E. Full Name, Mailing Address and ZIP Code Fostoria Glass Co. 1200 First St. Moundsville, W.Va 26041	Purpose of Disbursement memorabilia Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 1-9 3-20	Amount of Each Disbursement This Period 119.87 443.11
F. Full Name, Mailing Address and ZIP Code Kimberly Garven 11 Second St. NW Apt. 101 Washington D.C. 20002	Purpose of Disbursement contract labor Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 1-18 2-6 2-19	Amount of Each Disbursement This Period 725.00 725.00 725.00
G. Full Name, Mailing Address and ZIP Code Kimberly Garven cont.	Purpose of Disbursement same as above Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 2-26	Amount of Each Disbursement This Period 725.00
H. Full Name, Mailing Address and ZIP Code Greenhoot Inc. 1019 19th St. NW Washington DC 20036	Purpose of Disbursement office space Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 3-1	Amount of Each Disbursement This Period 4000.00
I. Full Name, Mailing Address and ZIP Code Hastings Telephone Answ. Svc. 333 Perry Brooks Bldg. Austin, Texas 78701	Purpose of Disbursement answering service Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 1-9 2-5 3-6	Amount of Each Disbursement This Period 51.00 51.00 51.00
SUBTOTAL of Disbursements This Page (optional)			12846.51
TOTAL This Period (last page this line number only)			

SCHEDULE B

ITEMIZED DISBURSEMENTS

Page 1 of 2 for
LINE NUMBER 17
(Use separate schedule(s) for each category of the Detailed Summary Page)

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Name of Committee (in Full)
Tower Senate Club

A. Full Name, Mailing Address and ZIP Code Hastings Telephone Answ. Svc 333 Perry Brooks Bldg. Austin, Texas 78701	Purpose of Disbursement answering rervice Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 4-9 5-6 6-4	Amount of Each Disbursement This Period 51.00 51.00 51.00
B. Full Name, Mailing Address and ZIP Code Monica Hearn 525 Buckeye Trail Austin, Texas 78746	Purpose of Disbursement staff luncheon Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 1-9	Amount of Each Disbursement This Period 128.89
C. Full Name, Mailing Address and ZIP Code Brenda Hudson 6526 Tenth St. Alexandria, Va 22307	Purpose of Disbursement contract labor Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 1-18 2-6 2-19	Amount of Each Disbursement This Period 1630.00 1630.00 1630.00
D. Full Name, Mailing Address and ZIP Code Brenda Hudson cont.	Purpose of Disbursement same as above Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 2-26	Amount of Each Disbursement This Period 1630.00
E. Full Name, Mailing Address and ZIP Code Interfirst Bank P.O. Box 908 Austin, Texas 78781	Purpose of Disbursement payroll taxes Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 1-7 2-6 3-20	Amount of Each Disbursement This Period 1971.31 961.66 988.80
F. Full Name, Mailing Address and ZIP Code Interfirst Bank cont.	Purpose of Disbursement same as above Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 4-11 5-1	Amount of Each Disbursement This Period 819.14 819.14
G. Full Name, Mailing Address and ZIP Code I.B.M. P.O. Box 660171 Dallas, Texas 75266	Purpose of Disbursement machine rental Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 1-9 2-5 2-5	Amount of Each Disbursement This Period 538.19 157.68 380.51
H. Full Name, Mailing Address and ZIP Code I.B.M. cont.	Purpose of Disbursement same as above Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 3-6 4-9 5-1	Amount of Each Disbursement This Period 157.68 157.68 157.68
I. Full Name, Mailing Address and ZIP Code I.B.M. Cont.	Purpose of Disbursement machine rental Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 6-4	Amount of Each Disbursement This Period 78.64
SUBTOTAL of Disbursements This Page (optional)			13990.20
TOTAL This Period (last page this line number only)			

SCHEDULE B

ITEMIZED DISBURSEMENTS

Page 3 of 2
LINE NUMBER 17
(Use separate schedule(s) for each category of the Detailed Summary Page)

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Name of Committee (in Full)

Tower Senate Club

Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
A. Internal Revenue Service Austin Texas 73301	unemployment taxes payroll taxes Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-7 2-11	170.13 719.91
B. Internal Revenue Service Austin, Texas 73301	income taxes Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	3-13 6-5	14507.00 513.27
C. Jan Ivy 1006 Cedar Glen Austin, Texas 78745	salary Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-29 2-29 3-28	1778.61 1805.61 1805.61
D. Jan Ivy cont.	same as above Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	4-28	1805.61
E. Jan Ivy 1008 Cedar Glen Austin, Texas 78745	course reimbursement mileage, severance Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-11 3-20 5-8	93.70 10.00 4968.00
F. Anne Jones 4324 Glenwick Lane Dallas, Texas 75205	refreshments Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-9	5.80 —
G. Linden Kettlewell 7834 Langley Ridge Rd. McLean, Va. 22102	airfare Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	3-27	1360.42
H. Martha Kirkendall 3125 Stanford Dallas, Texas 75225	contract labor Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	1-18 2-6 2-19	1458.00 1458.67 1458.00
I. Martha Kirkendall cont.	same as above Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	2-26 3-14 3-26	1458.00 1458.00 1458.00
SUBTOTAL of Disbursements This Page (optional)			38292.34
TOTAL This Period (last page this line number only)			

SCHEDULE B

ITEMIZED DISBURSEMENTS

Page 6 of 92 for
LINE NUMBER 17
(Use separate schedule(s) for each category of the Detailed Summary Page)

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Name of Committee (in Full)

Tower Senate Club

A. Full Name, Mailing Address and ZIP Code Martha Kirkendall 3125 Stanford Dallas, Texas 75225	Purpose of Disbursement contract labor Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 4-12 4-26 5-29	Amount of Each Disbursement This Period 1458.00 1458.00 1458.00
B. Full Name, Mailing Address and ZIP Code Martha Kirkendall cont.	Purpose of Disbursement same as above Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 6-4 6-14	Amount of Each Disbursement This Period 1458.00 1458.00
C. Full Name, Mailing Address and ZIP Code Martha Kirkendall 3125 Stanford Dallas, Texas 75225	Purpose of Disbursement parking, mileage, phone calls Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 1-18 2-19	Amount of Each Disbursement This Period 21.50 26.76
D. Full Name, Mailing Address and ZIP Code Kwik Kopy 121 E. 8th St. Suite 111 Austin, Texas 78701	Purpose of Disbursement xerox copies Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 1-9 2-5 6-4	Amount of Each Disbursement This Period 7.57 4.48 10.08
E. Full Name, Mailing Address and ZIP Code Mattie McKee 110 D. St. Southwest Washington, DC 20003	Purpose of Disbursement rent car gasoline Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 1-9	Amount of Each Disbursement This Period 15.25
F. Full Name, Mailing Address and ZIP Code Master Lease Corp. P.O. Box 815 Bala Cynwyd, Pa 19004	Purpose of Disbursement merlin phone system Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 3-13 5-9 6-4	Amount of Each Disbursement This Period 80.59 85.59 90.59
G. Full Name, Mailing Address and ZIP Code Robert Meegan 5510 A Little Walnut Pkwy. Austin, Texas 78758	Purpose of Disbursement service call, controller card Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 6-25	Amount of Each Disbursement This Period 1195.00
H. Full Name, Mailing Address and ZIP Code Old Pecan Street Ltd. 1000 United Bank Tower Austin, Texas 78701	Purpose of Disbursement rent Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 2-14 3-5 4-8	Amount of Each Disbursement This Period 1684.12 1122.67 1122.67
I. Full Name, Mailing Address and ZIP Code Old Pecan Street Ltd. cont.	Purpose of Disbursement same as above Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 5-1 6-5	Amount of Each Disbursement This Period 1122.67 1122.67
SUBTOTAL of Disbursements This Page (optional)			15002.21
TOTAL This Period (last page this line number only)			

SCHEDULE B

ITEMIZED DISBURSEMENTS

Page 7 of 9 for
LINE NUMBER 17
(Use separate schedule(s) for each category of the Detailed Summary Page)

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Name of Committee (in Full)

Tower Senate Club

A. Full Name, Mailing Address and ZIP Code Perry Brooks Bldg. 121 E. 8th Suite 1200 Austin, Texas 78701	Purpose of Disbursement 4 months rent Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 1-9	Amount of Each Disbursement This Period 508.00
B. Full Name, Mailing Address and ZIP Code Pitney Bowes P.O. Box 38390 Louisville, Ky. 40233	Purpose of Disbursement meter rental Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 3-6 6-4	Amount of Each Disbursement This Period 66.23 66.23
C. Full Name, Mailing Address and ZIP Code Roadway Express Inc. P.O. Box 1111 Akron, Ohio 44393	Purpose of Disbursement shipping Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 1-9	Amount of Each Disbursement This Period 395.44
D. Full Name, Mailing Address and ZIP Code Republican Party of Texas 1300 Guadalupe Austin, Texas 78701	Purpose of Disbursement room deposits Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 1-7	Amount of Each Disbursement This Period 1390.00
E. Full Name, Mailing Address and ZIP Code Senate Restaurant U.S. Capitol Washington D.C. 20510	Purpose of Disbursement press conference Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 2-5	Amount of Each Disbursement This Period 74.00
F. Full Name, Mailing Address and ZIP Code Vic Sherlock 4100 Massachusetts Ave. NW #200, Washington DC 20016	Purpose of Disbursement mileage Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 1-9	Amount of Each Disbursement This Period 11.60
G. Full Name, Mailing Address and ZIP Code Southwestern Bell P.O. Box 90 San Antonio, Texas 78287	Purpose of Disbursement phone service, new wiring Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 2-5 2-19 3-20	Amount of Each Disbursement This Period 475.28 314.25 81.76
H. Full Name, Mailing Address and ZIP Code Southwestern Bell cont.	Purpose of Disbursement phone service Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 4-23 5-9 6-14	Amount of Each Disbursement This Period 320.46 392.22 120.95
Full Name, Mailing Address and ZIP Code Greg Talley 437-B New Jersey SE Washington DC 20003	Purpose of Disbursement mileage Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 1-9	Amount of Each Disbursement This Period 22.00
UBTOTAL of Disbursements This Page (optional)			4238.42
OTAL This Period (last page this line number only)			

SCHEDULE B

ITEMIZED DISBURSEMENTS

Page 3 of 3 for
LINE NUMBER [illegible]
(Use separate schedule(s) for each category of the Detailed Summary Page)

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (in Full)

Tower Senate Club

Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Disbursement for	Date (month, day, year)	Amount of Each Disbursement This Period
A. Texas Employment Commission P.O. Box 2908 Austin, Texas 78769	unemployment taxes	☐ Primary ☐ General ☐ Other (specify):	1-7 4-11	168.27 100.11
B. Texas Press Service Inc. 718 West Fifth Austin, Texas 78701	reading service, clips	☐ Primary ☐ General ☐ Other (specify)	2-27 3-20	83.70 70.20
C. John G. Tower Special 3125 Stanford Dallas, Texas 75225	phone calls, lodging telegram	☐ Primary ☐ General ☐ Other (specify):	1-9 1-9 2-19	33.36 197.29 148.38
D. John G. Tower Special cont.	phone calls	☐ Primary ☐ General ☐ Other (specify):	2-27 3-26	116.58 28.64
E. Texas Commerce Bank P.O. Box 550 Austin, Texas 78789	bank service charge	☐ Primary ☐ General ☐ Other (specify):	6-14	2.37
F. U.S. Postmaster Austin, Texas 78701	permit, box fee, stamps	☐ Primary ☐ General ☐ Other (specify):	1-9 3-5 6-14	115.00 6.00 22.00
G. Jack Warren 200 East 6th Street #202 Austin, Texas 78701	lodging, memorabilia	☐ Primary ☐ General ☐ Other (specify):	1-9 2-12	223.01 262.80
H. Western Union P.O. Box 26208 Richmond, Va 23260	telegrams	☐ Primary ☐ General ☐ Other (specify):	1-9	36.75
I. Ruth Wilson 560 N. Street SW #N804 Washington, DC 20024	postage, salary	☐ Primary ☐ General ☐ Other (specify):	1-29 1-29 2-27	205.47 556.58 670.47
SUBTOTAL of Disbursements This Page (optional)				3046.98
TOTAL This Period (last page this line number only)				

SCHEDULE B **ITEMIZED DISBURSEMENTS**

Page 2 of 2 for
LINE NUMBER 17
(Use separate schedule(s) for each category of the Detailed Summary Page)

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Name of Committee (in Full)
Tower Senate Club

A. Full Name, Mailing Address and ZIP Code Joan M. Wright 3314 Landover St.. Alexandria, Va	Purpose of Disbursement contract labor Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 2-6	Amount of Each Disbursement This Period 192.00
B. Full Name, Mailing Address and ZIP Code Bo Wilkes 3705 Greystone Austin, Texas 78731	Purpose of Disbursement contract labor Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 6-14	Amount of Each Disbursement This Period 164.15
C. Full Name, Mailing Address and ZIP Code Mary L. Wilkes 3705 Greystone Austin, Texas 78731	Purpose of Disbursement computer disks, contract labor Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 6-4 6-14	Amount of Each Disbursement This Period 29.44 125.00
D. Full Name, Mailing Address and ZIP Code Interfirst Bank 5th & Congress Austin, Texas 78701	Purpose of Disbursement check printing charge Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 5-29	Amount of Each Disbursement This Period 3.85
E. Full Name, Mailing Address and ZIP Code Bankers Life 711 High Street Des Moines, Iowa 50307	Purpose of Disbursement insurance Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 1-29 2-19 3-20	Amount of Each Disbursement This Period 139.60 139.60 139.60
F. Full Name, Mailing Address and ZIP Code Bankers Life cont.	Purpose of Disbursement same as above Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 4-23 5-20 6-19	Amount of Each Disbursement This Period 139.60 139.60 139.60
G. Full Name, Mailing Address and ZIP Code Victory '84 1300 Guadalupe Austin, Texas 78701	Purpose of Disbursement travel expense Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 2-22	Amount of Each Disbursement This Period 1360.42
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
SUBTOTAL of Disbursements This Page (optional)			2712.46
TOTAL This Period (last page this line number only)			100061.25

SCHEDULE B

ITEMIZED DISBURSEMENTS

Page 1 of 1 for LINE NUMBER 21
(Use separate schedule(s) for each category of the Detailed Summary Page)

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Name of Committee (in Full)

Tower Senate Club

A. Full Name, Mailing Address and ZIP Code Friends of Edd Hargett 3230 McKinny Suite 1001 Dallas, Texas 75204	Purpose of Disbursement contribution Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 6-24	Amount of Each Disbursement This Period 1000.00
B. Full Name, Mailing Address and ZIP Code Texas Federation Republican Women 712 Bedford Court West Hurst, Texas 76053	Purpose of Disbursement contribution Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 1-29	Amount of Each Disbursement This Period 700.00
C. Full Name, Mailing Address and ZIP Code Victory '84 1300 Guadalupe Austin, Texas 78701	Purpose of Disbursement contribution Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 1-17 3-7	Amount of Each Disbursement This Period 50,000.00 75,000.00
D. Full Name, Mailing Address and ZIP Code Sam Walsh Campaign Fund 15 Crinkle Root The Woodlands, Texas 77380	Purpose of Disbursement contribution Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 1-4	Amount of Each Disbursement This Period 1000.00
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
SUBTOTAL of Disbursements This Page (optional)			127700.00
TOTAL This Period (last page this line number only)			127700.00

SCHEDULE A

ITEMIZED RECEIPTS

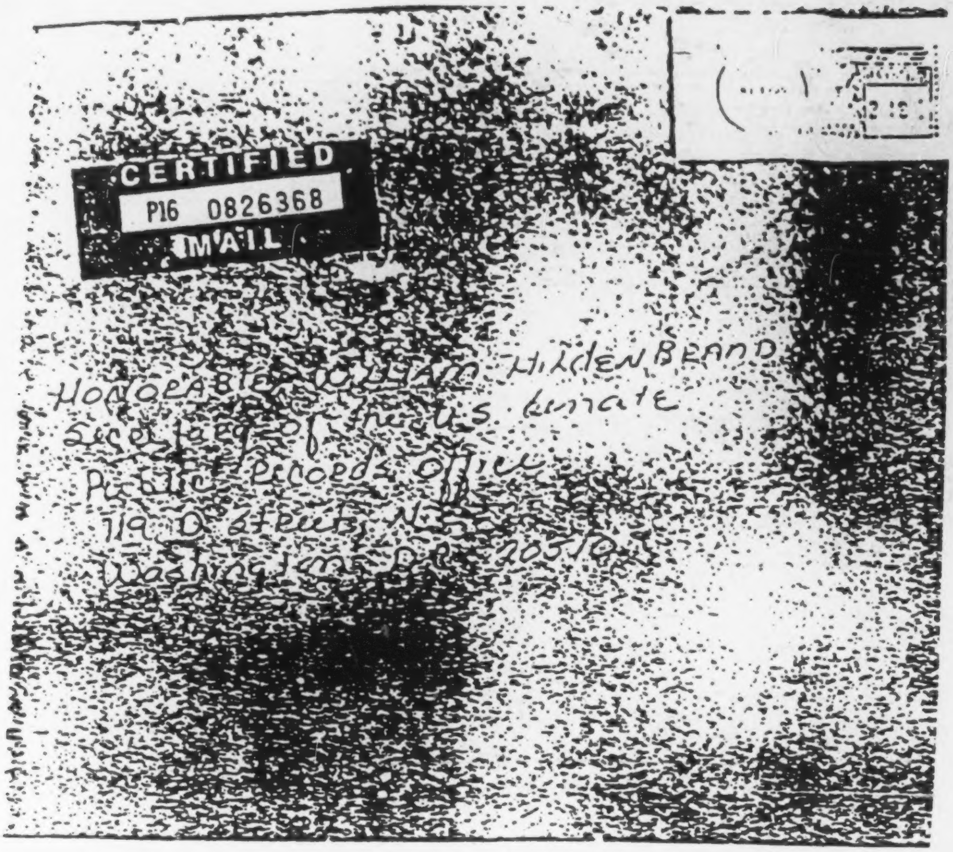
PAGE ___ OF ___
(Use separate schedule(s) for each category of the Detailed Summary Page)

MEMO SCHEDULE A

Any information copied from such Reports or Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (in Full)
Tower for Senate Committee

A. Full Name, Mailing Address and ZIP Code The Republican Majority Fund 227 Massachusetts Avenue NE Washington, DC 20002	Name of Employer EXEMPT ACCOUNTING	Date (month, day, year) 6/30/85	Amount of Each Receipt this Period $757.43
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Occupation		
	Aggregate Year-to-Date—$ [illegible]		
B. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Occupation		
	Aggregate Year-to-Date—$		
C. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Occupation		
	Aggregate Year-to-Date—$		
D. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Occupation		
	Aggregate Year-to-Date—$		
E. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Occupation		
	Aggregate Year-to-Date—$		
F. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Occupation		
	Aggregate Year-to-Date—$		
G. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Occupation		
	Aggregate Year-to-Date—$		
SUBTOTAL of Receipts This Page (optional)			$757.43
TOTAL This Period (last page this line number only)			$757.43



CERTIFIED
P16 0826368
MAIL

Honorable William Hildenbrand
Secretary of the U.S. Senate
Public Records Office
119 D Street, N.E.
Washington, D.C. 20510

TOWER SENATE CLUB

POST OFFICE BOX [illegible]
AUSTIN, TEXAS 78767

RECEIVED
SECRETARY OF THE SENATE
1986 FEB [illegible] 20
HAND DELIVERED

January 29, 1986

The Honorable William Hildenbrand
Secretary of the U.S. Senate
Public Records Office
119 D Street, N.E.
Washington, D.C. 20510

Dear Mr. Hildenbrand:

Enclosed is the report for the Tower Senate Club covering the period from July 1, 1985 through December 31, 1985.

Sincerely,

Hub Bechtol
Treasurer

HB/mlw

enclosure

Authorized by and paid for by the Tower Senate Club, Jack [illegible], Chairman. A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D.C. 20463.

DETAILED SUMMARY PAGE
of Receipts and Disbursements
(Page 2, FEC FORM 3)

Name of Committee (in Full)
Tower Senate Club

Report Covering the Period
From July 1 To Dec. 31,198

	COLUMN A Total This Period	COLUMN B Calendar Year-to-Date	
I. RECEIPTS			
11 CONTRIBUTIONS (other than loans) FROM			
(a) Individuals/Persons Other Than Political Committees	-0-	-0-	11 (a)
Memo Entry Unitemized $ ____			
(b) Political Party Committees	-0-	-0-	11 (b)
(c) Other Political Committees	-0-	-0-	11 (c)
(d) The Candidate	-0-	-0-	11 (d)
(e) TOTAL CONTRIBUTIONS (other than loans) (add 11(a), 11(b), 11(c) and 11(d))	-0-	-0-	11 (e)
12 TRANSFERS FROM OTHER AUTHORIZED COMMITTEES	-0-	-0-	12
13 LOANS			
(a) Made or Guaranteed by the Candidate	-0-	-0-	13 (a)
(b) All Other Loans	-0-	-0-	13 (b)
(c) TOTAL LOANS (add 13 (a) and 13 (b))	-0-	-0-	13 (c)
14 OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)	4605.00	6970.73	14
15 OTHER RECEIPTS (Dividends, Interest, etc.)	6752.46	36076.73	15
16 TOTAL RECEIPTS (add 11 (e), 12, 13 (c), 14 and 15)	11357.46	43047.46	16
II. DISBURSEMENTS			
17 OPERATING EXPENDITURES	41284.66	141345.95	17
18 TRANSFERS TO OTHER AUTHORIZED COMMITTEES	-0-	-0-	18
19 LOAN REPAYMENTS			
(a) Of Loans Made or Guaranteed by the Candidate	-0-	-0-	19 (a)
(b) Of All Other Loans	-0-	-0-	19 (b)
(c) TOTAL LOAN REPAYMENTS (add 19 (a) and 19 (b))	-0-	-0-	19 (c)
20 REFUNDS OF CONTRIBUTIONS TO			
(a) Individuals/Persons Other Than Political Committees	-0-	-0-	20 (a)
(b) Political Party Committees	-0-	-0-	20 (b)
(c) Other Political Committees	-0-	-0-	20 (c)
(d) TOTAL CONTRIBUTION REFUNDS (add 20 (a), 20 (b), and 20 (c))	-0-	-0-	20 (d)
21 OTHER DISBURSEMENTS	170253.08	297953.08	21
22 TOTAL DISBURSEMENTS (add 17, 18, 19 (c), 20 (d) and 21)	211537.74	439299.03	22

III. CASH SUMMARY

23 CASH ON HAND AT BEGINNING OF REPORTING PERIOD	$ 269787.62	23
24 TOTAL RECEIPTS THIS PERIOD (From Line 16)	$ 11357.46	24
25 SUBTOTAL (Add Line 23 and Line 24)	$ 281145.08	25
26 TOTAL DISBURSEMENTS THIS PERIOD (From Line 22)	$ 211537.74	26
27 CASH ON HAND AT CLOSE OF THE REPORTING PERIOD (Subtract Line 26 from 25)	$ 69607.34	27

SCHEDULE A

ITEMIZED RECEIPTS

Page [illegible] of [illegible] for Line Number [illegible]
(Use separate schedule(s) for each category of the Detailed Summary Page)

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Name of Committee (in Full)
Tower Senate Club

A. Full Name, Mailing Address and ZIP Code
Rotan Mosle
700 Lavaca, Suite 800
Austin, Texas 78701
Receipt For: ☐ Primary ☐ General
☐ Other (specify):
Name of Employer: cash fund dividends
Occupation:
Aggregate Year-to-Date—$

Date (month, day, year)	Amount of Each Receipt this Period
7-26	1480.52
8-30	1798.06
9-27	1197.89

B. Full Name, Mailing Address and ZIP Code
Rotan Mosle cont.
Receipt For: ☐ Primary ☐ General
☐ Other (specify):
Name of Employer: same as above
Occupation:
Aggregate Year-to-Date—$

Date (month, day, year)	Amount of Each Receipt this Period
10-25	1029.29
11-20	854.75
12-31	401.95

C. Full Name, Mailing Address and ZIP Code
Receipt For: ☐ Primary ☐ General
☐ Other (specify):
Name of Employer
Occupation
Aggregate Year-to-Date—$
Date (month, day, year)
Amount of Each Receipt This Period

D. Full Name, Mailing Address and ZIP Code
Receipt For: ☐ Primary ☐ General
☐ Other (specify):
Name of Employer
Occupation
Aggregate Year-to-Date—$
Date (month, day, year)
Amount of Each Receipt This Period

E. Full Name, Mailing Address and ZIP Code
Receipt For: ☐ Primary ☐ General
☐ Other (specify):
Name of Employer
Occupation
Aggregate Year-to-Date—$
Date (month, day, year)
Amount of Each Receipt This Period

F. Full Name, Mailing Address and ZIP Code
Receipt For: ☐ Primary ☐ General
☐ Other (specify):
Name of Employer
Occupation
Aggregate Year-to-Date—$
Date (month, day, year)
Amount of Each Receipt This Period

G. Full Name, Mailing Address and ZIP Code
Receipt For: ☐ Primary ☐ General
☐ Other (specify):
Name of Employer
Occupation
Aggregate Year-to-Date—$
Date (month, day, year)
Amount of Each Receipt This Period

SUBTOTAL of Receipts This Page (optional) 6752.46

TOTAL This Period (last page this line number only) ....

REPORT OF RECEIPTS AND DISBURSEMENTS
For An Authorized Committee

(Summary Page)

RECEIVED
SECRETARY OF THE SENATE
-3 AM 11:20

1. Name of Committee (in Full)
Tower Senate Club
Address (Number and Street)
P.O.Box 794
City, State and Zip Code
Austin, Texas 78767

☐ Check if address is different than previously reported

2. FEC Identification Number

3. Is this Report an Amendment? ☐ YES ☐ NO

4. TYPE OF REPORT

☐ April 15 Quarterly Report
☐ July 15 Quarterly Report
☐ October 15 Quarterly Report
☒ January 31 Year End Report
☐ July 31 Mid Year Report (Non-election Year Only)

☐ Twelfth day report preceding ________ (Type of Election) election on ________ in the State of ________
☐ Thirtieth day report following the General Election on ________ in the State of ________
☐ Termination Report

This report contains activity for: ☐ Primary Election ☐ General Election ☐ Special Election ☐ Runoff Election

SUMMARY	COLUMN A This Period	COLUMN B Calendar Year-to-Date
5 Covering Period July 1 through Dec.31,1986		
6 Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (From Line 11 (e))	-0-	-0-
(b) Total Contribution Refunds (from Line 20 (d))	-0-	-0-
(c) Net Contributions (other than loans) (subtract Line 6 (b) from 6 (a))	-0-	-0-
7 Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	41284.66	141345.95
(b) Total Offsets to Operating Expenditures (from Line 14)	4605.00	6970.73
(c) Net Operating Expenditures (Subtract Line 7 (b) from 7 (a))	36679.66	134375.22
8 Cash on Hand at Close of Reporting Period (from Line 27)	69607.34	
9 Debts and Obligations Owed TO The Committee (Itemize all on Schedule C or Schedule D)	-0-	
10 Debts and Obligations Owed BY The Committee (Itemize all on Schedule C or Schedule D)	-0-	

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Hu' Bechtol
Type or Print Name of Treasurer

SIGNATURE OF TREASURER

Date

For further information, contact:
Federal Election Commission
Toll Free 800-424-9530
Local 202-523-4068

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

All previous versions of FEC FORM 3 and FEC FORM 3a are obsolete and should no longer be used.

FEC FORM 3 (3/80)

SCHEDULE B

ITEMIZED DISBURSEMENTS

Page 1 of 3 for
LINE NUMBER [illegible]
(Use separate schedule(s) for each
category of the Detailed
Summary Page)

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Name of Committee (in Full)
Tower Senate Club

A. Full Name, Mailing Address and ZIP Code Alpha Aviation P.O. Box 35508 Dallas, Texas 75235	Purpose of Disbursement Airfare Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 11-27	Amount of Each Disbursement This Period 1531.12
B. Full Name, Mailing Address and ZIP Code American Airlines P.O.Box 70536-Dept.24013-2 Chicago, Ill. 60673	Purpose of Disbursement Airfare Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 11-25	Amount of Each Disbursement This Period 104.00
C. Full Name, Mailing Address and ZIP Code Bekins 201 Anderson Lane East Austin, Texas 78752	Purpose of Disbursement Moving expense Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 11-20	Amount of Each Disbursement This Period 170.00
D. Full Name, Mailing Address and ZIP Code Fostoria Glass Co. 1200 First St. Moundsville, W. Va. 26041	Purpose of Disbursement Memorabilia Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 10-3	Amount of Each Disbursement This Period 30.82
E. Full Name, Mailing Address and ZIP Code Sally Jane Garza 1222 Algarati #141 Austin, Texas 78704	Purpose of Disbursement Contract labor Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 11-21	Amount of Each Disbursement This Period 67.00
F. Full Name, Mailing Address and ZIP Code Gallery of the Republic P.O.Box 156 Austin, Texas 78767	Purpose of Disbursement Memorabilia Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 12-4	Amount of Each Disbursement This Period 1008.19
G. Full Name, Mailing Address and ZIP Code Hastings Telepoone Service 333 Perry Brooks Bldg. Austin, Texas 78701	Purpose of Disbursement Answering Service Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 7-15 8-15	Amount of Each Disbursement This Period 51.00 51.00
H. Full Name, Mailing Address and ZIP Code Hastings Telephone Service cont.	Purpose of Disbursement same as above Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 9-18 10-17 11-15	Amount of Each Disbursement This Period 51.00 51.00 51.00
I. Full Name, Mailing Address and ZIP Code Hastings Telephone Service cont.	Purpose of Disbursement same as above Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 12-12	Amount of Each Disbursement This Period 51.00
SUBTOTAL of Disbursements This Page (optional)			3217.13
TOTAL This Period (last page this line number only)			

SCHEDULE B

ITEMIZED DISBURSEMENTS

(Use separate schedule(s) for each category of the Detailed Summary Page)

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Name of Committee (in Full):

Tower Senate Club

Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
A. IBM Corporation P.O.Box 660171 Dallas, Texas 75266	Machine rental Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	7-9 8-15	78.84 79.59
B. IBM Corporation P.O. Box 660171 Dallas, Texas 75266	Machine rental Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	10-17 12-12	282.29 899.27
C. Internal Revenue Service Austin, Texas 73301	tax adjustment Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	11-1	147.86
D. Kwik Kopy 121 E.8th St. Suite 111 Austin, Texas 78701	Xerox copies Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	9-18	2.22
E. Martha Kirkendall 3125 Stanford Dallas, Texas 75225	Contract labor Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	7-1 7-15 8-1	1458.00 1458.00 1458.00
F. Martha Kirkendall cont.	same as above Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	8-15 8-29 9-16	1458.00 1458.00 1458.00
G. Martha Kirkendall cont.	same as above Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	10-1 10-15 11-1	1458.00 1458.00 1458.00
H. Martha Kirkendall cont.	same as above Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	11-15 12-2 12-16	1458.00 1458.00 1458.00
I. Martha Kirkendall 3125 Stanford Dallas, Texas 75225	telephone bill Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	8-15	14.25
SUBTOTAL of Disbursements This Page (optional)			19,000.32
TOTAL This Period (last page this line number only)			

SCHEDULE B

ITEMIZED DISBURSEMENTS

Page [illegible] of [illegible] for LINE NUMBER [illegible]
(Use separate schedule(s) for each category of the Detailed Summary Page)

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (in Full):
Tower Senate Club

A. Full Name, Mailing Address and ZIP Code Master Lease Corporation P.O. Box 815 Bala Cynwyd, Pa. 19004	Purpose of Disbursement ' rlin phone system Disbursement for: ☐Primary ☐General ☐ Other (specify):	Date (month, day, year) 7-15 8-1 8-29	Amount of Each Disbursement This Period 85.59 85.59 85.59
B. Full Name, Mailing Address and ZIP Code Master Lease Corp. cont.	Purpose of Disbursement same as above Disbursement for: ☐Primary ☐General ☐ Other (specify):	Date (month, day, year) 10-3 11-1 12-1	Amount of Each Disbursement This Period 85.59 85.59 85.59
C. Full Name, Mailing Address and ZIP Code The Monocle 107 D Street N.E. Washington, D.C. 20002	Purpose of Disbursement luncheon Disbursement for: ☐Primary ☐General ☐ Other (specify):	Date (month, day, year) 8-1	Amount of Each Disbursement This Period 143.05
D. Full Name, Mailing Address and ZIP Code Official Airline Guide 2000 Clearwater Dr. Oakbrook, Ill. 60521	Purpose of Disbursement publication Disbursement for: ☐Primary ☐General ☐ Other (specify):	Date (month, day, year) 8-29	Amount of Each Disbursement This Period 134.64
E. Full Name, Mailing Address and ZIP Code Old Pecan Street Ltd. 300 Manning Row Austin, Texas 78701	Purpose of Disbursement Rent Disbursement for: ☐Primary ☐General ☐ Other (specify):	Date (month, day, year) 7-1 8-1 [illegible]	Amount of Each Disbursement This Period 1122.67 1122.67 1122.67
F. Full Name, Mailing Address and ZIP Code Old Pecan Street Ltd. cont.	Purpose of Disbursement Rent Disbursement for: ☐Primary ☐General ☐ Other (specify):	Date (month, day, year) 10-3 11-[illegible]	Amount of Each Disbursement This Period 1122.67 1122.67
G. Full Name, Mailing Address and ZIP Code Frederick W. Schirmer P.O.Box 3472 Austin, Texas 78764	Purpose of Disbursement Contract labor Disbursement for: ☐Primary ☐General ☐ Other (specify):	Date (month, day, year) 11-22	Amount of Each Disbursement This Period 23.45
H. Full Name, Mailing Address and ZIP Code 1789 Restuarant 1226 Thirty Sixth Street NW Washington, D.C. 20007	Purpose of Disbursement meeting room, luncheon Disbursement for: ☐Primary ☐General ☐ Other (specify):	Date (month, day, year) 11-25	Amount of Each Disbursement This Period 883.04
I. Full Name, Mailing Address and ZIP Code Southwestern Bell P.O.Box 90 San Antonio, Texas 78287	Purpose of Disbursement phone service Disbursement for: ☐Primary ☐General ☐ Other (specify):	Date (month, day, year) 7-29 8-15 9-1[illegible]	Amount of Each Disbursement This Period 24.13 45.26 12[illegible]
SUBTOTAL of Disbursements This Page (optional)			7500.84
TOTAL This Period (last page this line number only)			

SCHEDULE B

ITEMIZED DISBURSEMENTS

[illegible]

Name of Committee (in Full)

Tower Senate Club

Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
A. Southwestern Bell P.O.Box 90 San Antonio, Texas 78287	phone service Disbursement for: ☐Primary ☐General ☐Other (specify):	10-17 11-15 12-12	51.67 34.69 52.85
B. Texas Employment Commission P.O.Box 2908 Austin, Texas 78769	unemployment taxus Disbursement for: ☐Primary ☐General ☐Other (specify):	7-9 7-29	158.10 158.10
C. Texas Weekly 3654 Bee Cave Road Austin, Texas 78746	Subscription Disbursement for: ☐Primary ☐General ☐Other (specify):	7-9	100.00
D. John G. Tower Special 3125 Stanford Dallas, Texas 75225	phone, meals,airfare Disbursement for: ☐Primary ☐General ☐Other (specify):	7-29 11-25	3338.95 190.12
E. U.S. Postmaster Austin, Texas 78701	postage Disbursement for: ☐Primary ☐General ☐Other (specify):	7-30	26.36
F. Bo Wilkes 3705 Greystone Austin, Texas 78731	Contract labor Disbursement for: ☐Primary ☐General ☐Other (specify):	7-1 7-15 8-1	87.10 182.58 281.40
G. Bo Wilkes cont.	Contract labor Disbursement for: ☐Primary ☐General ☐Other (specify):	8-15 8-29	241.20 222.70
H. Mary L. Wilkes 3705 Greystone Austin, Texas 78731	Contract Labor Disbursement for: ☐Primary ☐General ☐Other (specify):	7-1 7-15 8-1	125.00 125.00 125.00
I. Mary L. Wilkes cont.	same as above Disbursement for: ☐Primary ☐General ☐Other (specify):	8-15 8-1 8-29	125.00 100.00 125.00
SUBTOTAL of Disbursements This Page (optional)			5850.82
TOTAL This Period (last page this line number only)			

SCHEDULE B

ITEMIZED DISBURSEMENTS

Page [illegible] of [illegible] for
Line Number [illegible]
Use separate schedule(s) for each
category of the Detailed
Summary Page

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Name of Committee (in Full)

Tower Senate Club

A. Full Name, Mailing Address and ZIP Code Mary L. Wilkes 3705 Greystone Austin, Texas 78731	Purpose of Disbursement Contract labor Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 9-16 10-1 10-15	Amount of Each Disbursement This Period 125.00 125.00 125.00
B. Full Name, Mailing Address and ZIP Code Mary L. Wilkes cont.	Purpose of Disbursement same as above Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 11-1 11-15	Amount of Each Disbursement This Period 125.00 125.00
C. Full Name, Mailing Address and ZIP Code Mary L. Wilkes cont.	Purpose of Disbursement same as above Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 12-2 12-15	Amount of Each Disbursement This Period 125.00 125.00
D. Full Name, Mailing Address and ZIP Code Ruth Wilson 560 N Street SW Apt.N804 Washington, D.C. 20024	Purpose of Disbursement Contract labor,airfare meals, lodging Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 10-17 11-15 12-3	Amount of Each Disbursement This Period 293.55 86.25 523.25
E. Full Name, Mailing Address and ZIP Code Ruth Wilson cont.	Purpose of Disbursement same as above Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 12-27	Amount of Each Disbursement This Period 3937.50
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
SUBTOTAL of Disbursements This Page (optional)			5715.55
TOTAL This Period (last page this line number only)			41284.66

SCHEDULE B

ITEMIZED DISBURSEMENTS

Page 1 of 1 for LINE NUMBER 21
(Use separate schedule(s) for each category of the Detailed Summary Page)

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Name of Committee (in Full)
Tower Senate Club

A. Full Name, Mailing Address and ZIP Code Associated Republicans of Texas 2105 Justin Lane Austin, Texas 78757	Purpose of Disbursement contribution Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 9-11 11-27	Amount of Each Disbursement This Period 18,253.08 1,000.00
B. Full Name, Mailing Address and ZIP Code John McCain for Senate P.O.Box 710 Phoenix, Arizona 85001	Purpose of Disbursement Contribution Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 7-29	Amount of Each Disbursement This Period 1000.00
C. Full Name, Mailing Address and ZIP Code Republican Party of Texas 1300 Guadalupe Austin, Texas 78701	Purpose of Disbursement Contribution Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 9-9	Amount of Each Disbursement This Period 50,000.00
D. Full Name, Mailing Address and ZIP Code Southwestern University SU Station Georgetown, Texas 78626	Purpose of Disbursement Contribution Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 11-12	Amount of Each Disbursement This Period 100,000.00
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period

SUBTOTAL of Disbursements This Page (optional) 170253.08

TOTAL This Period (last page this line number only) 170253.08

CERTIFIED

P 255 234 099

MAIL

TOWER SENATE CLUB

[illegible]
[illegible]

n.D.

July 18, 1986

The Honorable William Hildenbrand
Secretary of the U.S. Senate
Public Records Office
119 D Street, N.E.
Washington, D.C. 20510

Dear Mr. Hildenbrand:

Enclosed is the report for the Tower Senate Club covering the period January 1, 1986 through June 30, 1986.

Sincerely,

Hub Bechtol
Treasurer

HB/mlw

enclosure

REPORTS OF RECEIPTS AND DISBURSEMENTS
For Authorized Committee

(Summary Page)

Name of Committee: TOWER SENATE CLUB

Identification Number: S-1224

Address: 200 East 6th Street #202

City, State and ZIP Code: Austin, Texas

☒ [illegible]

Is this Report an Amendment? ☐ YES ☒ NO

TYPE OF REPORT

☐ April 15 Quarterly Report

☐ July 15 Quarterly Report

☐ October 15 Quarterly Report

☐ January 31 Year End Report

☒ July 31 Mid Year Report (Non-election Year Only)

☐ Twelfth day report preceding ______ (Type of Election) election on ______ in the State of ______

☐ Thirtieth day report following the General Election on ______ in the State of ______

☐ Termination Report

This report contains activity for: ☐ Primary Election ☐ General Election ☐ Special Election ☐ Runoff Election

SUMMARY	COLUMN A This Period	COLUMN B Calendar Year to Date
5. Covering Period January 1 through June 30, 1986		
6. Net Contributions (other than loans):		
(a) [illegible]	-0-	-0-
(b) [illegible]	-0-	-0-
(c) [illegible]	-0-	-0-
7. Net Operating Expenditures:		
(a) [illegible]	16,247.80	16,247.80
(b) [illegible]	7,203.73	7,203.73
(c) [illegible]	9,044.07	[illegible]
8. Cash on Hand at Close of Reporting Period [illegible]	63,799.54	
9. Debts and Obligations Owed TO The Committee [illegible]		
10. Debts and Obligations Owed BY The Committee [illegible]		

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Hub Bechtol

Type or Print Name of Treasurer

Hub Bechtol

SIGNATURE OF TREASURER

8-28-86

Date

For further information contact: [illegible]

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

All previous versions of FEC FORM 3 and FEC FORM 3a are obsolete and should no longer be used.

DETAILED SUMMARY PAGE
of Receipts and Disbursements
(Page 2, FEC FORM 3)

Name of Committee (in Full)
Tower Senate Club

Report Covering the Period
From Jan. 1, 1986 To June 30, 1986

	COLUMN A Total This Period	COLUMN B Calendar Year-to-Date	
I. RECEIPTS			
11 CONTRIBUTIONS (other than loans) FROM:			
(a) Individuals/Persons Other Than Political Committees (Memo Entry Unitemized $ ______)	0	0	11 (a)
(b) Political Party Committees	0	0	11 (b)
(c) Other Political Committees	0	0	11 (c)
(d) The Candidate	0	0	11 (d)
(e) TOTAL CONTRIBUTIONS (other than loans) (add 11 (a), 11 (b), 11 (c) and 11 (d))	0	0	11 (e)
12 TRANSFERS FROM OTHER AUTHORIZED COMMITTEES	0	0	12
13 LOANS			
(a) Made or Guaranteed by the Candidate	0	0	13 (a)
(b) All Other Loans	0	0	13 (b)
(c) TOTAL LOANS (add 13 (a) and 13 (b))	0	0	13 (c)
14 OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)	7,203.73	7,203.73	14
15 OTHER RECEIPTS (Dividends, Interest, etc.)	2,146.62	2,146.62	15
16 TOTAL RECEIPTS (add 11 (e), 12, 13 (c), 14 and 15)	9,350.35	9,350.35	16
II. DISBURSEMENTS			
17 OPERATING EXPENDITURES	16,247.80	16,247.80	17
18 TRANSFERS TO OTHER AUTHORIZED COMMITTEES	0	0	18
19 LOAN REPAYMENTS			
(a) Of Loans Made or Guaranteed by the Candidate	0	0	19 (a)
(b) Of All Other Loans	0	0	19 (b)
(c) TOTAL LOAN REPAYMENTS (add 19 (a) and 19 (b))	0	0	19 (c)
20 REFUNDS OF CONTRIBUTIONS TO			
(a) Individuals/Persons Other Than Political Committees	0	0	20 (a)
(b) Political Party Committees	0	0	20 (b)
(c) Other Political Committees	0	0	20 (c)
(d) TOTAL CONTRIBUTION REFUNDS (add 20 (a), 20 (b) and 20 (c))	0	0	20 (d)
21 OTHER DISBURSEMENTS	2,000.00	2,000.00	21
22 TOTAL DISBURSEMENTS (add 17, 18, 19 (c), 20 (d) and 21)	18,247.80	18,247.80	22

III. CASH SUMMARY

23 CASH ON HAND AT BEGINNING OF REPORTING PERIOD	$	69,607.34	23
24 TOTAL RECEIPTS THIS PERIOD (From Line 16)	$	9,350.35	24
25 SUBTOTAL (Add Line 23 and Line 24)	$	78,957.69	25
26 TOTAL DISBURSEMENTS THIS PERIOD (From Line 22)	$	18,247.80	26
27 CASH ON HAND AT CLOSE OF THE REPORTING PERIOD (Subtract Line 26 from 25)	$	60,709.89	27

1of 1

LINE NUMBER 14
(Use separate schedule(s) for each category of the Detailed Summary Page)

SCHEDULE A

ITEMIZED RECEIPTS

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Name of Committee (in Full)
TOWER SENATE CLUB

A. Full Name, Mailing Address and ZIP Code Jack Fields for Congress P.O. Drawer 2406 Humble, Texas 77347	Name of Employer contribution refund Occupation	Date (month, day, year) 1-15-86	Amount of Each Receipt This Period 1000.00
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Aggregate Year-to-Date—$		
B. Full Name, Mailing Address and ZIP Code Loeffler for Governor 4127 Stathmore San Antonio, Texas 78217	Name of Employer computer lease Occupation	Date (month, day, year) 1-15-86 2-17-86 5-2-86	Amount of Each Receipt This Period 500.00 500.00 1000.00
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Aggregate Year-to-Date—$		
C. Full Name, Mailing Address and ZIP Code Southwestern Bell Telephone P.O. Box 90 San Antonio, Texas 78287	Name of Employer refund Occupation	Date (month, day, year) 2-5-86	Amount of Each Receipt This Period 4045.63
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Aggregate Year-to-Date—$		
D. Full Name, Mailing Address and ZIP Code Texas Employment Commission Austin, Texas 75778	Name of Employer refund Occupation	Date (month, day, year) 3-11-86	Amount of Each Receipt This Period 158.10
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Aggregate Year-to-Date—$		
E. Full Name, Mailing Address and ZIP Code	Name of Employer Occupation	Date (month, day, year)	Amount of Each Receipt This Period
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Aggregate Year-to-Date—$		
F. Full Name, Mailing Address and ZIP Code	Name of Employer Occupation	Date (month, day, year)	Amount of Each Receipt This Period
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Aggregate Year-to-Date—$		
G. Full Name, Mailing Address and ZIP Code	Name of Employer Occupation	Date (month, day, year)	Amount of Each Receipt This Period
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Aggregate Year-to-Date—$		
SUBTOTAL of Receipts This Page (optional)			7,203.73
TOTAL This Period (last page this line number only)			7,203.73

1 of 1

LINE NUMBER 15
(Use separate schedule(s) for each category of the Detailed Summary Page)

SCHEDULE A

ITEMIZED RECEIPTS

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Name of Committee (in Full)
Tower Senate Club

A. Full Name, Mailing Address and ZIP Code
Rotan Mosle
P.O. Box 12644
Austin, Texas 78711-2644

Receipt For: ☐ Primary ☐ General
☐ Other (specify):

Name of Employer
Cash fund dividends

Occupation

Aggregate Year-to-Date—$

Date (month, day, year)	Amount of Each Receipt this Period
1-26	461.37
2-26	366.37
3-26	355.39
4-26	324.81

B. Full Name, Mailing Address and ZIP Code
Rotan Mosle, cont.

Receipt For: ☐ Primary ☐ General
☐ Other (specify):

Name of Employer
same as above

Occupation

Aggregate Year-to-Date—$

Date (month, day, year)	Amount of Each Receipt This Period
5-26	358.72
6-26	279.96

C. Full Name, Mailing Address and ZIP Code

Receipt For: ☐ Primary ☐ General
☐ Other (specify):

Name of Employer

Occupation

Aggregate Year-to-Date—$

Date (month, day, year)

Amount of Each Receipt This Period

D. Full Name, Mailing Address and ZIP Code

Receipt For: ☐ Primary ☐ General
☐ Other (specify):

Name of Employer

Occupation

Aggregate Year-to-Date—$

Date (month, day, year)

Amount of Each Receipt This Period

E. Full Name, Mailing Address and ZIP Code

Receipt For: ☐ Primary ☐ General
☐ Other (specify):

Name of Employer

Occupation

Aggregate Year-to-Date—$

Date (month, day, year)

Amount of Each Receipt This Period

F. Full Name, Mailing Address and ZIP Code

Receipt For: ☐ Primary ☐ General
☐ Other (specify):

Name of Employer

Occupation

Aggregate Year-to-Date—$

Date (month, day, year)

Amount of Each Receipt This Period

G. Full Name, Mailing Address and ZIP Code

Receipt For: ☐ Primary ☐ General
☐ Other (specify):

Name of Employer

Occupation

Aggregate Year-to-Date—$

Date (month, day, year)

Amount of Each Receipt This Period

SUBTOTAL of Receipts This Page (optional) ....

TOTAL This Period (last page this line number only) 2,146.62

SCHEDULE B

ITEMIZED DISBURSEMENTS

Page 1 of 1 for
LINE NUMBER 17
(Use separate schedule(s) for each category of the Detailed Summary Page)

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Name of Committee (in Full)
TOWER SENATE CLUB

Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
A. Alpha Aviation P.O. Box 35508 Dallas, Texas 75235	airfare Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	4-1-86	1407.46
B. American Airlines P.O. Box 70536 Chicago, Ill. 60673	airfare Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	3-11-86	660.00
C. Bell Helicopter Textron 1090 Vermont Ave. N.W. Suite 1100, Washington DC 20005	memorabilia Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	1-29-86	253.69
D. Hastings Telephone Answering Service P.O. Box 1724, Austin Tx 78764	answering service Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	6-4-86	17.00
E. Internal Revenue Service Austin, Texas 73301	1985 FUTA, Income Tax, adjustment Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	1-15-86 1-29-86 3-17-86	495.25 67.30 5760.00
F. Martha Kirkendall 3125 Stanford Dallas, Texas 75225	contract labor Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	3-10-86	1458.00
G. Henry Krusekopf Box KA Georgetown, Texas 78626	contract labor Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	2-21-86	70.35
H. Scarlett Moss P.O. Box 6095 Georgetown, Texas 78626	contract labor Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	2-21-86	59.46
I. Master Lease Corp. One Presidential Boulevard Bala Cynwyd, Penn. 19004	Merlin phone system Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	4-30-86	2349.00
SUBTOTAL of Disbursements This Page (optional)			12,617.51
TOTAL This Period (last page this line number only)			

SCHEDULE B

ITEMIZED DISBURSEMENTS

Page 2 of 1 for
LINE NUMBER 12
(Use separate schedule(s) for each category of the Detailed Summary Page)

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Name of Committee (in Full)
TOWER SENATE CLUB

Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Disbursement for	Date (month, day, year)	Amount of Each Disbursement This Period
A. Old Pecan Street Ltd. 200 East 6th Street #300 Austin, Texas 78701	rent assessment, rent	☐ Primary ☐ General ☐ Other (specify):	1-8-86 6-4-86	772.76 450.24
B. John G Tower Special 3125 Stanford Dallas, Texas 75225	meals	☐ Primary ☐ General ☐ Other (specify):	3-1-86 4-15-86	111.42 200.52
C. U.S. Postmaster Austin, Texas 78767	postage	☐ Primary ☐ General ☐ Other (specify):	1-29	4.02
D. Lurleen I. Wells P.O. Box 6133 Georgetown, Texas 78626	contract labor	☐ Primary ☐ General ☐ Other (specify):	2-21-86	26.80
E. Rimmon C. Whittaker P.O. Box KA Georgetown, Texas 78626	contract labor	☐ Primary ☐ General ☐ Other (specify):	2-21-86	92.13
F. Mary L. Wilkes 3705 Greystone Austin, Texas 78731	contract labor	☐ Primary ☐ General ☐ Other (specify):	1-2-86 1-15-86 1-31-86	125.00 125.00 125.00
G. Mary L. Wilkes, cont.	" "	☐ Primary ☐ General ☐ Other (specify):	2-17-86 2-28-86 3-17-86	125.00 125.00 125.00
H. Mary L. Wilkes, cont.	" "	☐ Primary ☐ General ☐ Other (specify):	3-21-86 4-1-86 4-15-86	250.00 125.00 125.00
I. Mary L. Wilkes, cont.	contract labor	☐ Primary ☐ General ☐ Other (specify):	4-30-86 5-15-86	125.00 125.00
SUBTOTAL of Disbursements This Page (optional)				3,157.89
TOTAL This Period (last page this line number only)				

INTENTIONAL
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SCHEDULE B

ITEMIZED DISBURSEMENTS

Page 2 of 2 for
LINE NUMBER 17
(Use separate schedule(s) for each category of the Detailed Summary Page)

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (in Full)

TOWER SENATE CLUB

A. Full Name, Mailing Address and ZIP Code Mary L. Wilkes 3705 Greystone Austin, Texas 78731	Purpose of Disbursement contract labor Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year) 5-30-86 6-16-86	Amount of Each Disbursement This Period 125.00 125.00
B. Full Name, Mailing Address and ZIP Code Ruth Wilson 560 N. Street SW Apt. N804 Washington, DC 20024	Purpose of Disbursement airfare, parking Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year) 2-21-86	Amount of Each Disbursement This Period 222.40
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
SUBTOTAL of Disbursements This Page (optional)			472.40
TOTAL This Period (last page this line number only)			16,247.80

SCHEDULE B

ITEMIZED DISBURSEMENTS

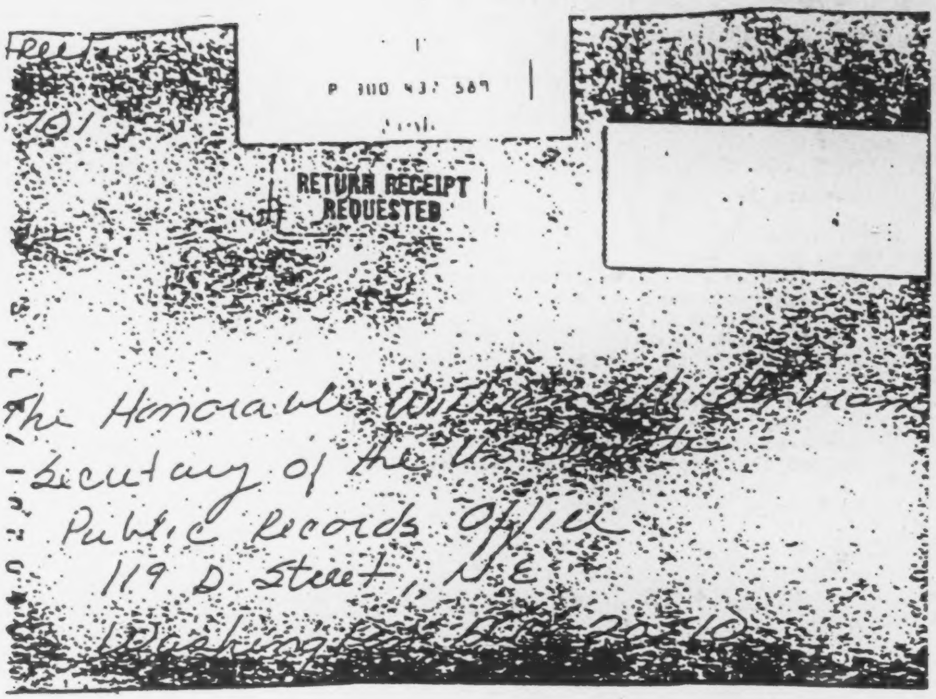
Page 1 of 1 for
LINE NUMBER 21
(Use separate schedule(s) for each
category of the Detailed
Summary Page)

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (in Full)

TOWER SENATE CLUB

	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
A. Full Name, Mailing Address and ZIP Code Henson Moore Campaign Box 6 Baton Rouge, LA 70821	contribution Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	4-15-86	1000.00
B. Full Name, Mailing Address and ZIP Code Clements for Governor 823 Congress, Suite 1010 Austin, Texas 78701	contribution Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	5-27-86	1000.00
C. Full Name, Mailing Address and ZIP Code	Disbursement for: ☐ Primary ☐ General ☐ Other (specify)		
D. Full Name, Mailing Address and ZIP Code	Disbursement for: ☐ Primary ☐ General ☐ Other (specify)		
E. Full Name, Mailing Address and ZIP Code	Disbursement for: ☐ Primary ☐ General ☐ Other (specify)		
F. Full Name, Mailing Address and ZIP Code	Disbursement for: ☐ Primary ☐ General ☐ Other (specify)		
G. Full Name, Mailing Address and ZIP Code	Disbursement for: ☐ Primary ☐ General ☐ Other (specify)		
H. Full Name, Mailing Address and ZIP Code	Disbursement for: ☐ Primary ☐ General ☐ Other (specify)		
I. Full Name, Mailing Address and ZIP Code	Disbursement for: ☐ Primary ☐ General ☐ Other (specify)		
SUBTOTAL of Disbursements This Page (optional)			2,000.00
TOTAL This Period (last page this line number only)			2,000.00



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701

P 310 437 589

RETURN RECEIPT
REQUESTED

The Honorable William F. Hildenbrand
Secretary of the U.S. Senate
Public Records Office
119 D Street, N.E.
Washington, D.C. 20510

TOWER SENATE CLUB

POST OFFICE BOX [illegible]
AUSTIN, TEXAS 78767

RECEIVED
[illegible]ARY OF [illegible]

January 29, 1986

The Honorable William Hildenbrand
Secretary of the U.S. Senate
Public Records Office
119 D Street, N.E.
Washington, D.C. 20510

Dear Mr. Hildenbrand:

Enclosed is the report for the Tower Senate Club covering the period July 1, 1986 through December 31, 1986.

Sincerely,

Jack Warren

Jack Warren
Chairman

JW/mw

enclosure

Authorized by and paid for by the Tower Senate Club, Jack Warren, Chairman. A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D.C. 20463.

REPORTS OF RECEIPTS AND DISBURSEMENTS
For Authorized Committee
(Summary Page)

1. (a) Name of Committee (in full)
TOWER SENATE CLUB
(b) Address (Number and Street)
200 East 6th Street #202
(c) City, State and ZIP Code ☐ Check if address is different than previously reported
Austin, Texas 78701

2. FEC Identification Number
S-1224

3. Is this Report an Amendment? ☐ YES ☒ NO

4. TYPE OF REPORT

☐ April 15 Quarterly Report
☐ July 15 Quarterly Report
☐ October 15 Quarterly Report
☒ January 31 Year End Report
☐ July 31 Mid Year Report (Non-election Year Only)
☐ Twelfth day report preceding ______ (Type of Election) election on ______ in the State of ______
☐ Thirtieth day report following the General Election on ______ in the State of ______
☐ Termination Report

This report contains activity for: ☐ Primary Election ☐ General Election ☐ Special Election ☐ Runoff Election

SUMMARY	COLUMN A This Period	COLUMN B Calendar Year-to-Date
5. Covering Period Jul. 1 through Dec. 31, 1986		
6. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (From Line 11 (e))	0	0
(b) Total Contribution Refunds (from Line 20 (d))	0	0
(c) Net Contributions (other than loans) subtract Line 6 (b) from 6 (a)	0	0
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	39,953.39	56,201.19
(b) Total Offsets to Operating Expenditures (from Line 14)	0	7,203.73
(c) Net Operating Expenditures (Subtract Line 7 (b) from 7 (a))	39,953.39	48,997.46
8. Cash on Hand at Close of Reporting Period (from Line 27)	20,761.03	
9. Debts and Obligations Owed TO The Committee (Itemize all on Schedule C or Schedule D)	0	
10. Debts and Obligations Owed BY The Committee (Itemize all on Schedule C or Schedule D)	0	

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Hub Bechtol
Type or Print Name of Treasurer

SIGNATURE OF TREASURER

1-29-87
Date

For further information, contact:
Federal Election Commission
Toll Free 800-424-9530
Local 202-523-4068

NOTE: Submission of false erroneous or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

All previous versions of FEC FORM 3 and FEC FORM 3a are obsolete and should no longer be used.

DETAILED SUMMARY PAGE
of Receipts and Disbursements
(Page 2, FEC FORM 3)

Name of Committee (in Full): Tower Senate Club

Report Covering the Period: From July 1, 1986 To Dec. 31, 1986

	COLUMN A Total This Period	COLUMN B Calendar Year-to-Date	
I. RECEIPTS			
11 CONTRIBUTIONS (other than loans) FROM			
(a) Individuals/Persons Other Than Political Committees (Memo Entry Unitemized $)	0	0	11 (a)
(b) Political Party Committees	0	0	11 (b)
(c) Other Political Committees	0	0	11 (c)
(d) The Candidate	0	0	11 (d)
(e) TOTAL CONTRIBUTIONS (other than loans) (add 11(a), 11(b), 11(c) and 11(d))	0	0	11 (e)
12 TRANSFERS FROM OTHER AUTHORIZED COMMITTEES	0	0	12
13 LOANS			
(a) Made or Guaranteed by the Candidate	0	0	13 (a)
(b) All Other Loans	0	0	13 (b)
(c) TOTAL LOANS (add 13 (a) and 13 (b))	0	0	13 (c)
14 OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)	0	7,203.73	14
15 OTHER RECEIPTS (Dividends, Interest, etc.)	1,004.53	3,151.15	15
16 TOTAL RECEIPTS (add 11 (e), 12, 13 (c), 14 and 15)	1,004.53	10,354.88	16
II. DISBURSEMENTS			
17 OPERATING EXPENDITURES	39,953.39	56,201.19	17
18 TRANSFERS TO OTHER AUTHORIZED COMMITTEES	0	0	18
19 LOAN REPAYMENTS:			
(a) Of Loans Made or Guaranteed by the Candidate	0	0	19 (a)
(b) Of All Other Loans	0	0	19 (b)
(c) TOTAL LOAN REPAYMENTS (add 19 (a) and 19 (b))	0	0	19 (c)
20 REFUNDS OF CONTRIBUTIONS TO:			
(a) Individuals/Persons Other Than Political Committees	0	0	20 (a)
(b) Political Party Committees	0	0	20 (b)
(c) Other Political Committees	0	0	20 (c)
(d) TOTAL CONTRIBUTION REFUNDS (add 20 (a), 20 (b), and 20 (c))	0	0	20 (d)
21 OTHER DISBURSEMENTS	1,000.00	3,000.00	21
22 TOTAL DISBURSEMENTS (add 17, 18, 19 (c), 20 (d) and 21)	40,953.39	59,201.19	22

III. CASH SUMMARY

23 CASH ON HAND AT BEGINNING OF REPORTING PERIOD	$	60,709.89	23
24 TOTAL RECEIPTS THIS PERIOD (From Line 16)	$	1,004.53	24
25 SUBTOTAL (Add Line 23 and Line 24)	$	61,714.42	25
26 TOTAL DISBURSEMENTS THIS PERIOD (From Line 22)	$	40,953.39	26
27 CASH ON HAND AT CLOSE OF THE REPORTING PERIOD (Subtract Line 26 from 25)	$	20,761.03	27

SCHEDULE A — **ITEMIZED RECEIPTS**

Page 1 of 1 for
LINE NUMBER [illegible]
(Use separate schedule(s) for each category of the Detailed Summary Page)

Any information copied from such Reports or Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (in Full)
TOWER SENATE CLUB

A. Full Name, Mailing Address and ZIP Code
Rotan Mosle
P.O. Box 12644
Austin, Texas 78711-2644
Name of Employer: cash fund dividends
Occupation:
Receipt For: ☐ Primary ☐ General
☐ Other (specify):
Aggregate Year-to-Date—$

Date (month, day, year)	Amount of Each Receipt this Period
7-23	261.19
8-27	259.34
9-24	183.63
10-29	122.72

B. Full Name, Mailing Address and ZIP Code
Rotan Mosle, cont.
Name of Employer: same as above
Occupation:
Receipt For: ☐ Primary ☐ General
☐ Other (specify):
Aggregate Year-to-Date—$

Date (month, day, year)	Amount of Each Receipt This Period
11-26	95.26
12-24	82.39

C. Full Name, Mailing Address and ZIP Code
Name of Employer
Occupation
Date (month, day, year)
Amount of Each Receipt This Period
Receipt For: ☐ Primary ☐ General
☐ Other (specify):
Aggregate Year-to-Date—$

D. Full Name, Mailing Address and ZIP Code
Name of Employer
Occupation
Date (month, day, year)
Amount of Each Receipt This Period
Receipt For: ☐ Primary ☐ General
☐ Other (specify):
Aggregate Year-to-Date—$

E. Full Name, Mailing Address and ZIP Code
Name of Employer
Occupation
Date (month, day, year)
Amount of Each Receipt This Period
Receipt For: ☐ Primary ☐ General
☐ Other (specify):
Aggregate Year-to-Date—$

F. Full Name, Mailing Address and ZIP Code
Name of Employer
Occupation
Date (month, day, year)
Amount of Each Receipt This Period
Receipt For: ☐ Primary ☐ General
☐ Other (specify):
Aggregate Year-to-Date—$

G. Full Name, Mailing Address and ZIP Code
Name of Employer
Occupation
Date (month, day, year)
Amount of Each Receipt This Period
Receipt For: ☐ Primary ☐ General
☐ Other (specify):
Aggregate Year-to-Date—$

SUBTOTAL of Receipts This Page (optional) ....

TOTAL This Period (last page this line number only) 1,004.53

SCHEDULE B

ITEMIZED DISBURSEMENTS

Page 1 of 1 for
LINE NUMBER 17
(Use separate schedule(s) for each category of the Detailed Summary Page)

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (in Full):

TOWER SENATE CLUB

A. Full Name, Mailing Address and ZIP Code American Airlines P.O. Box 70536 Chicago, Ill. 60673	Purpose of Disbursement airfare Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 8-1-86	Amount of Each Disbursement This Period 1030.00
B. Full Name, Mailing Address and ZIP Code American Express P.O. Box 630001 Dallas, Texas 75363	Purpose of Disbursement meals Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 8-1-86	Amount of Each Disbursement This Period 217.66
C. Full Name, Mailing Address and ZIP Code Avis Rt. 4 Box 8 Wichita Falls, Texas 76301	Purpose of Disbursement rental Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 8-1-86	Amount of Each Disbursement This Period 51.79
D. Full Name, Mailing Address and ZIP Code Hastings Telephone Service P.O.Box 1724 Austin, Texas 78764	Purpose of Disbursement Answering service Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 8-8-86 10-2-86	Amount of Each Disbursement This Period 45.33 34.00
E. Full Name, Mailing Address and ZIP Code Huckaby & Assoc. 228 South Washington St #201 Alexandria, Va 22314	Purpose of Disbursement accounting Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 7-15-86	Amount of Each Disbursement This Period 480.00
F. Full Name, Mailing Address and ZIP Code Interfirst Austin 5th & Congress Austin, Texas 78701	Purpose of Disbursement bank charge Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 9-30-86	Amount of Each Disbursement This Period 1.22
G. Full Name, Mailing Address and ZIP Code Martha Kirkendall 3125 Stanford Dallas, Texas 75225	Purpose of Disbursement contract labor Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 8-1-86	Amount of Each Disbursement This Period 3500.00
H. Full Name, Mailing Address and ZIP Code The Mansion on Turtle Creek 2821 Turtle Creek Blvd. Dallas, Texas 75219	Purpose of Disbursement luncheon, meeting room Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 8-1-86	Amount of Each Disbursement This Period 1645.86
I. Full Name, Mailing Address and ZIP Code The Monocle 107 D. Street N.E. Washington DC 20002	Purpose of Disbursement meeting, luncheon Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 8-1-86	Amount of Each Disbursement This Period 1104.50
SUBTOTAL of Disbursements This Page (optional)			8,110.36
TOTAL This Period (last page this line number only)			

SCHEDULE B

ITEMIZED DISBURSEMENTS

Page 1 of 1 for
LINE NUMBER 21
(Use separate schedule(s) for each category of the Detailed Summary Page)

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (in Full)

TOWER SENATE CLUB

A. Full Name, Mailing Address and ZIP Code Roy Barrera Campaign P.O.box 100990 San Antonio, Texas 78201	Purpose of Disbursement contribution Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 9-26-86	Amount of Each Disbursement This Period 1000.00
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
SUBTOTAL of Disbursements This Page (optional)			1,000.00
TOTAL This Period (last page this line number only)			

Hrrit

P-511 926 941

78701

RETURN RECEIPT
REQUESTED

he Honorable William Hildenbra
ecretary of the U.S. Senate
Public Records Office
119 D Street NE
Washington DC 20510

FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20463

MS-F

SEP 4 1987

Bub Bechtol, Treasurer
Tower Senate Club
P.O. Box 794
Austin, TX 78767

Identification Number: C00028159

Reference: Termination Report (1/1/87-6/30/87)

Dear Mr. Bechtol:

Your committee's filing has been accepted as a valid termination because it meets the conditions set forth in 2 U.S.C. §433(d) and Section 102.3 of the Commission's Regulations. Your committee is no longer required to file reports on a periodic basis. However, 2 U.S.C. §432(d) and Sections 102.9(c) and 104.14(b)(3) of the Commission's Regulations require that you maintain your records and copies of reports for inspection for at least three (3) years. In addition, you may be required to respond to Commission requests for information regarding your committee's federal election activity and previously filed reports.

If your committee again becomes active in federal elections, it will be required to re-register with the Commission in accordance with the Federal Election Campaign Act and applicable Regulations. Your committee will be treated as a new entity by the Commission and should register as a new committee on FEC FORM 1, pursuant to 2 U.S.C. §§432(g) and 433(a).

If you have any questions concerning your status and requirements, please contact the Reports Analysis Division on the toll-free number, (800) 424-9530. Our local number is (202) 376-2480.

Sincerely,

Linda Tangney
Linda Tangney
Reports Analyst
Reports Analysis Division

TOWER SENATE CLUB
POST OFFICE BOX 794
AUSTIN, TEXAS 78767

RECEIVED

July 28, 1987

The Honorable William Hildenbrand
Secretary of the U.S. Senate
Public Records Office
119 D Street, N.E.
Washington, D.C. 20510

Dear Mr. Hildenbrand:

Enclosed is the report for the Tower Senate Club covering the period from January 1, 1987 through June 30, 1987.

Sincerely,

Hub Bechtol

Hub Bechtol
Treasurer

HB/mlw

enclosure

REPORTS OF RECEIPTS AND DISBURSEMENTS
For Authorized Committee

(Summary Page)

1 Name of Committee (in Full)
TOWER SENATE CLUB

Address (Number and Street)
200 East 6th Street #202

City, State and Zip Code
Austin, Texas 78701

☐ Check if address is different than previously reported

2 FEC Identification Number
S-1224

3 Is this Report an Amendment?
☐ YES ☒ NO

4 TYPE OF REPORT

☐ April 15 Quarterly Report
☐ July 15 Quarterly Report
☐ October 15 Quarterly Report
☐ January 31 Year End Report
☐ July 31 Mid Year Report (Non-election Year Only)
☐ Twelfth day report preceding ________ (Type of Election) election on ________ in the State of ________
☐ Thirtieth day report following the General Election on ________ in the State of ________
☒ Termination Report

This report contains activity for – ☐ Primary Election ☐ General Election ☐ Special Election ☐ Runoff Election

SUMMARY	COLUMN A This Period	COLUMN B Calendar Year-to-Date
5 Covering Period 1/1/87 through 6/30/87		
6 Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (From Line 11 (e))	0	0
(b) Total Contribution Refunds (from Line 20 (d))	0	0
(c) Net Contributions (other than loans) (subtract Line 6 (b) from 6 (a))	0	0
7 Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	20,981.89	20,981.89
(b) Total Offsets to Operating Expenditures (from Line 14)	0	0
(c) Net Operating Expenditures (Subtract Line 7 (b) from 7 (a))	20,981.89	20,981.89
8 Cash on Hand at Close of Reporting Period (from Line 27)	0	
9 Debts and Obligations Owed TO The Committee (Itemize all on Schedule C or Schedule D)	0	
10 Debts and Obligations Owed BY The Committee (Itemize all on Schedule C or Schedule D)	0	

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Hub Bechtol
Type or Print Name of Treasurer

SIGNATURE OF TREASURER

July 29, '87
Date

For further information, contact:
Federal Election Commission
Toll Free 800-424-9530
Local 202-523-4068

NOTE: Submission of false erroneous or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g

All previous versions of FEC FORM 3 and FEC FORM 3a are obsolete and should no longer be used.

FEC FORM 3 (3/80)

DETAILED SUMMARY PAGE
of Receipts and Disbursements
(Page 2, FEC FORM 3)

Name of Committee (in Full)	Report Covering the Period		
TOWER SENATE CLUB	From 1/1/87	To 6/30/87	
I. RECEIPTS	COLUMN A Total This Period	COLUMN B Calendar Year-to-Date	
11. CONTRIBUTIONS (other than loans) FROM:			
(a) Individuals/Persons Other Than Political Committees (Memo Entry Unitemized $ ________)	0	0	11 (a)
(b) Political Party Committees	0	0	11 (b)
(c) Other Political Committees	0	0	11 (c)
(d) The Candidate	0	0	11 (d)
(e) TOTAL CONTRIBUTIONS (other than loans) (add 11(a), 11(b), 11(c) and 11(d))	0	0	11 (e)
12. TRANSFERS FROM OTHER AUTHORIZED COMMITTEES	0	0	12
13. LOANS:			
(a) Made or Guaranteed by the Candidate	0	0	13 (a)
(b) All Other Loans	0	0	13 (b)
(c) TOTAL LOANS (add 13 (a) and 13 (b))	0	0	13 (c)
14. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)	0	0	14
15. OTHER RECEIPTS (Dividends, Interest, etc.)	220.86	220.86	15
16. TOTAL RECEIPTS (add 11 (e), 12, 13 (c), 14 and 15)	220.86	220.86	16
II. DISBURSEMENTS			
17. OPERATING EXPENDITURES	20,981.89	20,981.89	17
18. TRANSFERS TO OTHER AUTHORIZED COMMITTEES	0	0	18
19. LOAN REPAYMENTS:			
(a) Of Loans Made or Guaranteed by the Candidate	0	0	19 (a)
(b) Of All Other Loans	0	0	19 (b)
(c) TOTAL LOAN REPAYMENTS (add 19 (a) and 19 (b))	0	0	19 (c)
20. REFUNDS OF CONTRIBUTIONS TO:			
(a) Individuals/Persons Other Than Political Committees	0	0	20 (a)
(b) Political Party Committees	0	0	20 (b)
(c) Other Political Committees	0	0	20 (c)
(d) TOTAL CONTRIBUTION REFUNDS (add 20 (a), 20 (b), and 20 (c))	0	0	20 (d)
21. OTHER DISBURSEMENTS	0	0	21
22. TOTAL DISBURSEMENTS (add 17, 18, 19 (c), 20 (d) and 21)	20,981.89	20,981.89	22

III. CASH SUMMARY

23. CASH ON HAND AT BEGINNING OF REPORTING PERIOD	$ 20,761.03	23
24. TOTAL RECEIPTS THIS PERIOD (From Line 16)	$ 220.86	24
25. SUBTOTAL (Add Line 23 and Line 24)	$ 20,981.89	25
26. TOTAL DISBURSEMENTS THIS PERIOD (From Line 22)	$ 20,981.89	26

SCHEDULE A **ITEMIZED RECEIPTS**

Use separate schedule(s) for each category of the Detailed Summary Page

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (in Full)
Tower Senate Club

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Rotan Mosle P.O. Box 12644 Austin, Texas 78711-2644	Cashfund interest	1-28 2-28 3-25	82.45 64.01 25.14
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Occupation Aggregate Year-to-Date—$		

B. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Rotan Mosle, cont.	same as above	4-24 5-27 6-24	14.28 18.87 16.11
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Occupation Aggregate Year-to-Date—$		

C. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Occupation Aggregate Year-to-Date—$		

D. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Occupation Aggregate Year-to-Date—$		

E. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Occupation Aggregate Year-to-Date—$		

F. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Occupation Aggregate Year-to-Date—$		

G. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Occupation Aggregate Year-to-Date—$		

SUBTOTAL of Receipts This Page (optional)	
TOTAL This Period (last page this line number only)	220.86

SCHEDULE B **ITEMIZED DISBURSEMENTS**

[illegible]
(Use separate page(s) for each category of the Detailed Summary Page)

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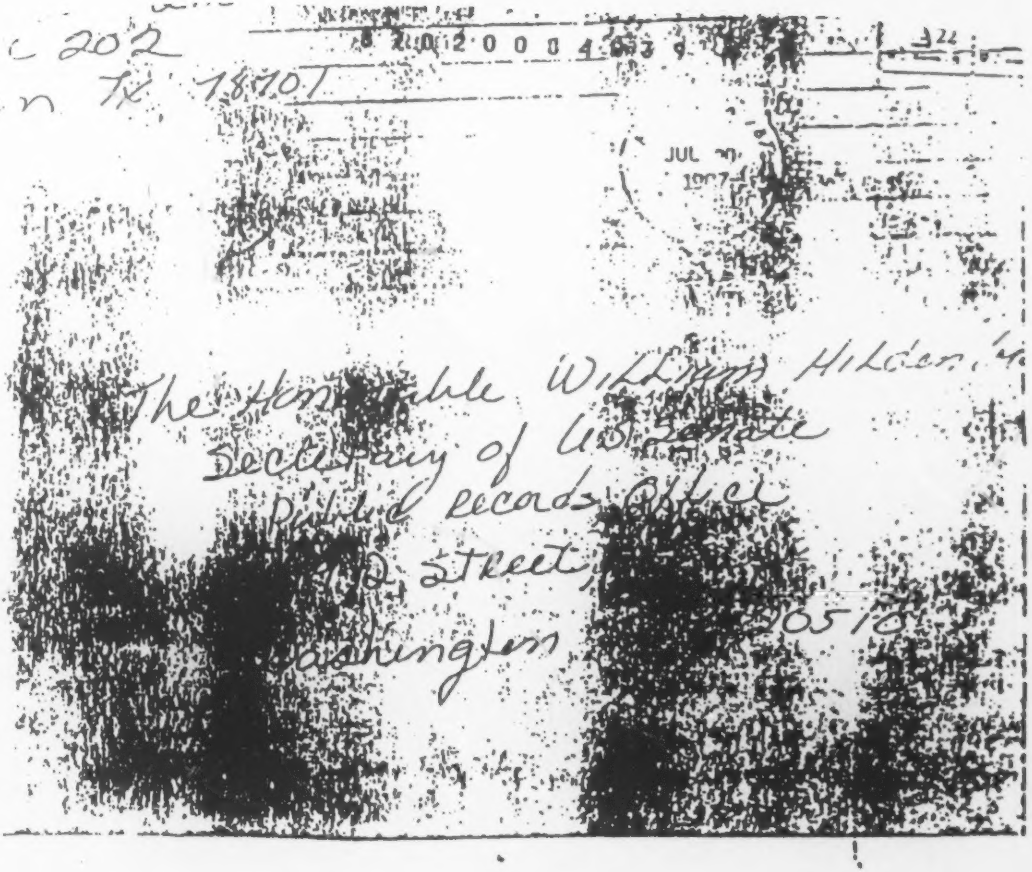
Name of Committee (in Full)
TOWER SENATE CLUB

A. Full Name, Mailing Address and ZIP Code Jack Warren 200 East 6th Street #202 Austin, Texas 78701	Purpose of Disbursement Consulting fees Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 6-30 6-30	Amount of Each Disbursement This Period 1000.00 2503.05
B. Full Name, Mailing Address and ZIP Code Petty Cash	Purpose of Disbursement Misc. expenses Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period 308.49
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
SUBTOTAL of Disbursements This Page (optional)			
TOTAL This Period (last page this line number only)			20,981.89



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1987

The Honorable William Hilden,
Secretary of US Senate
Public Records Office
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